SUPPLEMENTAL ITEM CHECKLIST

CDBG-CV-ROUND THREE

DESIGN AND ADMINISTRATION OF A COVID-19 EMERGENCY HOUSING AND BUSINESS RELIEF PROGRAM

DUE DATE: DECEMBER 30, 2020

Submit one copy of the following items:

Required:

X Board of Directors list including position/title on board.

X Contact numbers for Board Chair or President and Treasurer.

X Resolution or Board Minutes showing approval to submit an application and designation of person who will sign documents on behalf of the organization.

X Organization Chart

X Articles of Incorporation

X Bylaws

X Tax Exempt Determination Letter (for non-profit organizations)

X Organization's Current Budget (2019-2020) and Proposed Budget for next fiscal year

X Most Recent audit or CPA prepared review.

X Description of employees, board members, volunteers who will work with the project

X Non-discrimination Policy Statement

If applicable:

____ Copy of program application if available at time of application for award of funds (CURRENTLY BEING REVISED)

____ Analysis of program or service expansion if this is not a new service.

N/A Detailed explanation of any lawsuits, judgments, or bankruptcy proceedings

CITY OF SAN MARCOS
2020 CDBG-CV ROUND THREE PUBLIC SERVICES APPLICATION

Due Date: January 11, 2021

I. APPLICANT CONTACT INFORMATION

Applicant Organization: Community Action, Inc. of Central Texas

Contact Name: Carole Belver Telephone: 512-392-1161

Mailing Address: P.O. Box 748, San Marcos, TX 78667-0748

Physical Address, if different from mailing address: 215 S. Reimer, Suite 130, San Marcos, TX 78666

Contact E-Mail Address: cbelver@communityaction.com Web Address: www.communityaction.com

Who is authorized to execute program documents? Carole Belver

II. APPLICATION SUMMARY INFORMATION

Project Name: San Marcos COVID 19 Relief Program

Amount of CDBG-CV Funds Requested: $550,566

Project Location: 215 S. Reimer, Suite 130, San Marcos, TX 78666

III. PROGRAM DETAILS

This program will serve: _x_ Individuals and Families ____ Businesses ____ Both

TYPE OF PUBLIC SERVICE (choose all that apply)

____ 05A Senior Services

____ 05B Handicapped Services

____ 05C Legal Services

____ 05K Tenant/Landlord Counseling

____ 05P Screening for Lead Paint/Lead Hazards

____ 05Q Subsistence Payments

____ 05R Homeownership Assistance (Not Direct)

x Other: Rental and/or Mortgage assistance

Please provide the following information as an attachment.

PROGRAM DESCRIPTION AND OUTCOMES

Describe in detail your proposal for the COVID-19 Emergency Housing and Business Relief Program. Is this a new program for your organization or an expansion of an existing program? How exactly will this program be run and by whom? What parameters do you recommend for beneficiary eligibility? How will you determine the amount to be paid to each beneficiary? What outcomes will you strive to achieve?

Community Action, Inc. of Central Texas has been providing comprehensive services to low income families in the Central Texas Area for over 54 years. It just recently provided over $244,000 of CARES funds to 86 families in our service area for rental assistance as a direct result of the impact of the Coronavirus (COVID-19). With funding from the City of San Marcos, Community Action, along with its partner agency BR3T will provide rental assistance to approximately 150 families residing within the San Marcos city limits and who make 80% or less of the Median Family Income. The program will be a modified continuation of the COVID-19 Cares Assistance program that was just completed by Community Action. Two staff members are already in place and trained to begin this new program once it is funded. Current applications that were used for the COVID-19 Cares funding will be modified and simplified to expedite the program. Community Action will take the lead in this project, but will utilize the staff and skills of the BR3T staff to assist in completing applications, marketing, and streamlining the process. Once all the documentation has been provided, that would include at a minimum: proof of residency, proof of hardship as a direct result of COVID-19, and income verification for all residents over 18 years of age, the application will be submitted to Community Action's Accounting office for payment. Payments will be sent to property managers or landlords only. No payments will be paid directly to the family.

Eligible clients must resided within the San Marcos city limits, have a median family income of 80% or less as defined by the San Marcos CDBG Area Median Income Limits that are based on the Median Family Income for the Austin/Round Rock Metropolitan Statistical Area. Priority will be given to families facing immediate eviction, families who have children under five, seniors on fixed incomes, veterans, and those who have a disability. Families must have proof of COVID-19 related loss of income or proof of added expenses, like added childcare, and present a valid Photo ID of the head of household, such as a Texas Driver's License or other Government-issued photo ID, Passport, Green Card, US Visa, Identity Card, etc. Proof of lease or rental agreement and the amount owed with the current name and address of where the payment is to be sent must be submitted. All landlords/property management company must submit a W-9 prior to payment being submitted.

All persons residing in the residence who are over 18 that claim no income must complete the Zero Income Certification form.

Each household will be given a priority score based on immediate need. Those in the greatest need will be given priority. A maximum of three month's rent will be provided. This includes rent that is due now, rent that is overdue and up to one-month future rent as long as funds are available.

The amount to be paid will be determined by the amount on the lease. A total of three months' rent will be allowed if needed. An average of $1,000 a month per rent was used as a basis, however the actual amount may be more or less depending on the lease agreement.

Our outcome goal is to provide rental or mortgage assistance to approximately 150 household within five months to San Marcos residents.

Impact and Cost Effectiveness

How will you ensure the funding reaches those most in need? Describe implementation costs compared to impact (overhead cost per beneficiary). How will you be leveraging other resources for maximum impact? Will you be partnering with other organizations to provide legal aid, application assistance, or case management? How will you market the program?

Community Action, Inc. of Central Texas has been in the San Marcos community for over 54 years serving low-income clients and families. We will ensure that those in the most need receive priority in receiving rental or mortgage assistance. All applications will be assigned a priority code and those at most risk will be served on a floating first come basis. Priority will be given to families who are at or below the current Federal Poverty Level (which is lower that the Area Median Income Limits) with current eviction notices, families who have children under 5, seniors on fixed incomes, veterans, and those who have a disability. Families will be screened for other services provided by Community Action or other local social service providers and referrals will be made as warranted.

Because there is such great need in our community, Community Action will partner with BR3T to expedient the application process. Both agencies will accept applications using an agreed upon application, once it is completed and all the required documents are obtained the application will be submitted to Community Action's accounting staff for payment. This will prevent duplication of services.

The program will be marketed by Community Action, Inc. and BR3T through varies modes, including press releases, multi-media outlets such as Facebook, web pages, and notices that will be sent in local utility bills. Information will be posted in other public places such as the San Marcos Library. In addition, clients who have applied for other services in the past, but did not receive services due to lack of funding will also be contacted if warranted. Potential clients will also be reached through other partner social services agencies such as the Hays County Food Bank, the San Marcos WIC program, and the San Marcos Housing Authority to name a few.

Implementation Readiness

How will you obtain the resources needed to administer the proposed program, and by when? Define the specific person by title who will manage the program and describe how they will manage it. Describe the proposed manager's experience in delivering similar programs, especially federally funded programs.

Community Action is a multi-million dollar non-profit that has been in continuous operation for over 54 years. We have successfully administered many Federal and non-federal grants, including Head Start/Early Head Start, Adult Education programs, and a variety of Health Services, Senior Citizen program, Community Services Block Grant (CSBG) funds and utility assistance programs including state and local providers. Community Action has the infrastructure to administer this project, with dedicated staff in administrating simple to complex programs. We have a dedicated leadership staff who have over 100 years of combined experience. Carole Belver is Community Action's Executive Director and has been in that role for 14 years. Ms. Belver has been with Community Action for over 28 years and is an intricate member of the community. Keith Herington is the agency's CFO and is a CPA with over 30 years' experience. Both have experience with Federal Funding, including Head Start, CDBG funds, and HUD programs.

Margery Marshall is the agency's Community Services Director and has been with the agency almost five years. Ms. Marshall will have the direct responsibility of managing this program under the direction of Ms. Belver. Ms. Marshall has been responsible for the agency's utility assistance programs and Community Services Block Grant program. She will have a team of two working directly with her, who have experience with the recent COVID-19 CARES act funding that provided rental and mortgage funds for low-income families in the Hays, Caldwell, and Blanco service area.

PAST PERFORMANCE

Describe your past performance as an organization in managing funding for similar programs. This includes, but is not limited to: meeting proposed goals, promptly submitting accurate reports and reimbursement requests, maintaining financial and program records in compliance with HUD regulations and expending funds in a timely manner. What experience do you have administering federally funded programs? CARES Act programs?

As stated above, Community Action, Inc. of Central Texas has over 54 years of continuous service in the Central Texas area. We average an operating budget of approximately 13 million dollars a year from approximately 13 different funding sources. Our accounting staff is top-notch and the agency has received clean audits for many years. We do not have any outstanding audit deficiencies, findings, or disallowed costs from previous programs. In addition to having a Certified Public Accountant as our Fiscal Officer, he also has experience auditing other programs and a strong desire to help our low-income residents. The accounting office has a written Accounting and Financial Procedure Manual that is reviewed and approved by our Board of Directors. The primary purpose of the manual is formalize accounting policies and selected procedures for the accounting staff and to document internal controls. The primary responsibilities of the accounting department consist of:

- General Ledger
- Budgeting
- Cash and Investment Management
- Asset Management
- Grants and Contracts Administration
- Purchasing
- Accounts Receivable and Billing
- Cash Receipts
- Accounts Payable
- Cash Disbursements
- Payroll and Benefits
- Financial Statement Processing
- External Reporting of Financial Information
- Bank Reconciliation
- Reconciliation of Sub-Ledgers
- Compliance with Government Reporting Requirements
- Annual Audit
- Leases

Program mangers that run the day-to-day operations of the different programs are skilled managers that routinely must meet stated goals and objectives and report those findings to the appropriate funding source as well as to the Community Action Board of Directors. The Board of Directors is composed of fifteen Directors who reside in Hays, Caldwell, or Blanco Counties. The tripartite composition of the board reflects equal representation of elected Public Officials, representatives of low-income individuals and families and private entities.

Community Action has worked with the City of San Marcos in previous years utilizing CDBG funds and has met all city/HUD requirements.

BR3T ran a similar program for Hays County from 11/24/2020 – 12/22/2020 to administer Covid-19 Relief funds for rent, mortgage, and utility assistance. Elizabeth Wills, the Executive Director for BR3T, was in charge of the Hays County program, with its compressed 1-month timeline, which successfully distributed over $270,000 for residents in Hays County impacted by Covid-19. BR3T designed, marketed, implemented and managed the program. Hays County sent direct payments to landlords, mortgage, and utility companies.

Duplication of Benefits

What in your understanding will constitute a duplication of benefits for this program? How exactly will you handle the issue of potential duplication of benefits?

It is our understanding that a duplication of benefits is when more than one provider has paid for the same services or usurps the intent of other funds to provide the service. Rental Ledgers from the current month with all charges, payments, and balance will be required. The ledger would reflect payments by other organizations and will prevent duplication of benefits. Current balances will reflect payments from other organizations and will prevent duplication of benefits.

Community Action and the BR3T will share a database that will document who, what and when services are provided. Community Action's accounting system will be able to monitor duplication of services, as this will be the only source of funding for the rental/mortgage assistance.

IV. PROGRAM BENEFICIARIES

The minimum HUD threshold is that applicant must be able to document that at least 51% of the beneficiaries have an annual income that is at or below 80% of the Area Median Income and are San Marcos residents. It is the City's expectation that all beneficiaries will meet this standard for the COVID-19 Emergency Housing and Business Relief Program, either directly for payments to individuals or indirectly by retaining or creating jobs filled by people who meet this criteria.

1. How many beneficiaries do you expect to serve, and how did you calculate this number? The San Marcos COVID 19 Relief Program will provide approximately $3,000 per household (average rent $1,000 x 3 months) to 150 households that reside in San Marcos.

2. How do you propose to document the income of the beneficiaries? (check all that apply)

   _____Income documentation using HUD approved methods for "Limited Clientele" and "Job Creation or Retention" programs, as modified by CDBG-CV waivers

   _X_Self-certification, with income verification required of 20% of certifications

   _X_Other, describe: All clients will be required to show proof of income, either with a current income tax return Or provide paystubs for the past three months.

V. LINE ITEM BUDGET

Please use the following format to present your proposed line item budget. Secured funds are funds on-hand, pledged, or awarded. Following the Line Item Budget, please complete the Supplemental Budget Form – Use of Other Resources. Funds and costs, as outlined on the Sources and Uses of Funds form, may not be spent or incurred prior to a contract award date from the CDBG-CV Program. Supporting documentation may be attached as an Appendix.

Expense Category	Total Program Budget	CDBG-CV Portion	Other Funding Source	Other Funds Amount
Personnel Services				
Salaries	$19,556	$19,556	None	
Fringe Benefits	$5,867	$5,867		
Supplies				
Office Supplies				
Program Supplies				
Client Materials				
Operating				
Training				
Insurance				
Utilities/Rent/Mortgage	$454,260	$454,260		
Other (please specify)				
Indirect (Administrative 9%)	$45,460	$45,460		
Contractual (BR3T)	$25,423	$25,423		
Total	$550,566	$550,566		

Please provide an explanation for any unusual budget expenditures listed in the line item budget above.

A partnership will be formed with the BR3T to share in the processing rental assistance applications.

Once applications are completed, they will be submitted to Community Action for payment to the landlord.

VI. PROJECTED IMPLEMENTATION SCHEDULE AND PERFORMANCE MEASUREMENT GOALS

Performance measurement is an effective management technique that enables those who receive grant funds (Subrecipients) and the City to analyze the benefits of their investments. It is a mechanism that tracks the progression of projects and evaluates their overall effectiveness and success in meeting project goals. One of the most important overall goals in planning a CDBG-CV project is the completion of the project in a timely manner.

The City is monitored by HUD to ensure that the CDBG-CV grant program has benefited low-to-moderate-income families; one success measurement that the City must meet is the expenditure of its program funds in a timely manner. The City must take into account the project schedules for each project that is proposed to ensure that the overall CDBG-CV program will comply with its federally mandated timeliness ratio. Thus, it is critical that each applicant accurately forecasts the time that will be involved in completing each step of a proposed project.

Please use the format included in this application to outline the expected Implementation Schedule for your project. This document will be incorporated into the Subrecipient Agreement for funded projects. The City will monitor the performance of Subrecipients against the goals and performance standards established by this document. Substandard performance as determined by the City will constitute noncompliance with the Subrecipient Agreement. If action to correct such substandard performance is not taken by the Subrecipient with a reasonable period of time after notification by the City, contract suspension or termination processes may be initiated.

At a minimum, include timelines for the steps included on the table below. More detail is preferable. Case management is preferable to merely providing payments.

Once Community Action is awarded the funds, Community Action and BR3T will finalize the application within the first week.

Activity Description	Start Month/Year	End Month/Year	Performance Measurement Goal
Finalize Application	Within one week of award		Policies, procedures, forms, complete
Program Design (describe)	Within two weeks of award, marketing materials will be developed by CAI and BR3T		Marketing materials complete
Marketing (describe)	Materials will be provided on line, press release and flyers in place in areas frequented by low income individuals		
Application Intake	Within one week of award. Applications will be submitted to either CAI or BR3T		CAI And BR3T will be in constant contact to ensure equal distribution of workload.

Application Review	Once application is completed and all documentation is received, the application will be reviewed by program staff and submitted to accounting		It is the goal to have applications completed and submitted to accounting within one week of final approval.
Payments Issued	Funds will be monitored on a weekly basis until funds are spent		
Program Closeout	Within one month after all funds are spent, a detailed report will be submitted to the city.		

VII. ORGANIZATION INFORMATION

REQUIRED ATTACHMENTS

__x__Organizational Chart

__x__Articles of Incorporation

__x__Proof of Tax Exempt status

__x__Board Minutes and Resolution authorizing application submittal and specifying who will sign documents. (The organization's governing board must approve the submittal of this funding application and designate a person who is authorized to execute program documents.)

__x__A listing of key staff and employees who will work directly with the proposed program, their primary job duties, and other pertinent information relating to your proposed project.

_____If CDBG-CV funds will be used to hire new personnel, please provide a brief job description of the proposed position(s).

BACKGROUND INFORMATION

1. Organization Type:

   __x__ 501(c) Non-Profit Corporation Public Corporation _ Government Entity

   Other: _____

2. Name and title of Board of Directors chair or president: Ray Sanders
3. How many years has your organization been in business? 54 years
4. Organization's Taxpayer Identification Number (EIN): 741541726
5. Organization's Dun and Bradstreet DUNS Number: 037318342
6. Is organization currently registered in the federal System for Award Management (SAM)?__x__ Yes_____ No

FINANCIAL INFORMATION

1. What is the date of your fiscal year end? October 31
2. Does your organization have a purchasing policy? __X__Yes _____No
3. Has your organization currently or within the past five years had any litigation that is pending or has been resolved?
   _____Yes __X__No

   If "Yes", please attach a summary of the litigation and its status; including any outstanding judgments.

4. Has your organization filed a petition for bankruptcy or has a petition for bankruptcy been filed against your organization? _____Yes __X__No

   If "Yes", please attach an explanation that includes the current status.

5. During the last fiscal year did your organization spend $750,000 or more in Federal financial assistance?

   __X__Yes_____No

6. What level of financial review does your organization obtain from an independent source? Select from the following options:

   __X__Single Audit _____Audited Financial Statement

   _____Reviewed Financial Statement _____Compiled Financial Statement

   _____No independent review _____ Other (describe):

7. What period was covered by your most recent financial review? Year ending October 31, 2019

8. Has your organization received City of San Marcos funding in the past two years? X Yes ____ No

   If yes, please attach a short summary of the purpose and amount of City funding.

   Community Action receives funding from the City of San Marcos to help support it's Senior Citizen Center ($16,000) and to support the Youth Services Director ($82,000)

PERSONNEL AND POLICIES

1. Name and Title of your chief administrator Carole Belver

   Number of years in this position? 14

2. Total number of current employees at all locations 305

3. Total number of current employees who will be involved in this project 3

4. Total number of new employees expected to be hired for the project none (2 positions will be saved if RFA is accepted.)

5. Does your organization have a personnel policy manual? X Yes No

   Does it include a procedure for filing grievances? X Yes No

   Does it include a non-discrimination clause? X Yes No

6. Does your organization maintain a written code or standards of conduct that governs the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds?

   X Yes ____ No

7. Separation of duties for financial transactions regarding this project (respond with job title):

   a. Who will approve payment of incurred expenses? Director of Community Services

   b. Who will actually prepare the payment check? Accounts payable Clerk

   c. Who will sign checks paying project expenses? Two signature required for all checks as appointed by the board

   d. Who posts the transaction to your financial records? Bookkeeper

   e. Who reconciles monthly bank statements? Fiscal Officer

ACCESSIBILITY OF PROGRAMS AND SERVICES

1. Are all facilities to be served by the program ADA Accessible? X Yes ____ No

2. Do you have a Section 504 (ADA) Self-Evaluation on file? X Yes ____ No

3. How will you provide services to persons with Limited English proficiency? Two of the three staff members that will be assigned to this project are English/Spanish proficient.

INSURANCE, BONDING, AND WORKER'S COMPENSATION

1. Does your organization have liability insurance coverage? X Yes ____ No

2. If yes, in what amount? $1,000,000.00

3. Does your organization pay worker's compensation in accordance with Federal and state laws?
   X Yes ____ No ____ N/A

4. Does your organization have fidelity bond coverage for principal staff members who handle the organization's accounts? X Yes ____ No

5. Will vehicles owned by the organization be used in conjunction with the proposed project?
   _____Yes __X__No

6. If yes, what level of liability insurance is maintained on the vehicles? __n/a_____

VIII. CONFLICTS OF INTEREST (24 CFR 570.611; 24 CFR 85.36; AND 24 CFR 84.42)

Two sets of conflict of interest provisions apply to activities carried out with CDBG-CV funding. The first set, applicable to the procurement of goods and services by subrecipients (funded applicants), is the procurement regulation found in the Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards as codified in Title 2, Part 200 of the Code of Federal Regulations. The second set of provisions is located at 24 CFR 570.611(a)(2).

With respect to procurement activities, the subrecipient must maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts. At a minimum, these standards must:

1. Require that no employee, officer, or agent may participate in the selection, award, or administration of a contract supported by federal funds if a real or apparent conflict would be involved. Such a conflict would arise when any of the following parties has a financial or other interest in the firm selected for an award:
    - An employee, officer, or agent of the subrecipient;
    - Any member of an employee's, officer's, or agent's immediate family;
    - An employee's, agent's, or officer's partner; or
    - An organization which employs or is about to employ any of the persons listed in the preceding sections.
2. Require that employees, agents, and officers of the subrecipient neither solicit nor accept gratuities, favors, or anything of value from contractors or parties to sub-agreements. However, subrecipients may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value.
3. Provide for disciplinary actions to be applied for any violation of such standards by employees, agents or officers of the subrecipient.

With respect to all other CDBG-CV-assisted activities, the general standard is that no employee, agent, or officer of the subrecipient who exercises decision-making responsibility with respect to CDBG-CV funds and activities is allowed to obtain a financial interest in or benefit from CDBG-CV activities, or have a financial interest in any contract, subcontract, or agreement regarding those activities or in the proceeds for the activities. Specific provisions include that:

- The requirement applies to any person who is an employee, agent, consultant, officer, or elected or appointed official of the City, a designated public agency, or a subrecipient, and to their immediate family members and business partners.
- The requirement applies to such persons during their tenure and for a period of one year after leaving the grantee or subrecipient organization.
- Upon written request, exceptions may be granted by HUD on a case-by-case basis.

CONFLICT OF INTEREST QUESTIONNAIRE

NOTE: For the purpose of this form, a "covered person" includes any person who is an employee, agent, consultant, officer or elected or appointed official of the City of San Marcos, your organization, or any designated public agency.

Name of Organization: Community Action, Inc. of Central Texas

1. Does your organization maintain a written code or standards of conduct that governs the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds?

   Yes X No _____ If "No" is checked, please explain how you will comply with this requirement:

   _____

2. Are any of your Board Members or employees that are responsible for carrying out this project or members of their immediate families or their business associates also:

   a. Employed by the City of San Marcos? Yes_____ No X

   b. Members of or closely related to members of the San Marcos City Council? Yes X No _____

   c. Members of or closely related to an employee of the City of San Marcos? Yes_____ No X

   d. Current beneficiaries or related to beneficiaries of the project for which funds are requested?

      Yes_____ No X

   e. Paid providers of goods or services to the program or having other financial interest in the program or related to such individuals? Yes_____ No X

3. For each relationship described above, please answer the following questions: (attach additional page if necessary)

   a. Name of employee or official: Melissa Derrick

   b. Is this person receiving or likely to receive taxable income from your organization?

      Yes_____ No X

   c. Is your organization receiving or likely to receive taxable income from or at the direction of the employee or official AND the taxable income is not from the City of San Marcos?

      Yes_____ No X

   d. Is your organization affiliated with a corporation or other business entity in which the employee or official serves as an officer or director, or holds an ownership interest of 10% or more?

      Yes_____ No X

4. Describe any other affiliation or business relationship that might cause a conflict of interest with respect to CDBG-CV funds and activities. None

   _____

   _____

5. Will any of your organization's employees, officers, board members, or members of their immediate family or business partners have a financial interest in any contract, subcontract, or agreement regarding CDBG-CV funded activities?

   Yes_____ No X. If yes, please attach an explanation.

IX. APPLICANT ASSURANCES AND CERTIFICATIONS

The applicant hereby assures and certifies with respect to this project or program, by the submission of this application, that the following are true statements:

1. It possesses legal authority to apply for the grant and to finance the proposed request; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body, authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.
2. It will comply with the Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards as codified in Title 2, Part 200 of the Code of Federal Regulations (UAR) and agrees to adhere to the accounting principles and procedures required therein, utilizing adequate internal controls and maintaining necessary source documentation for all costs incurred.
3. If it expends $750,000 or more of federal funds in a fiscal year, it will comply with the Single Audit Act of 1984.
4. It will comply with the provisions of Executive Order 11988, relating to evaluation of flood hazards, and Executive Order 11990, relating to protection of wetlands. It will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, and approved December 31, 1976. Section 102(a).
5. It will have sufficient funds available or the ability to obtain the non-federal share of the cost for construction projects. Sufficient funds will be available when construction is completed to assure effective operation and maintenance of the facility for the purposes constructed.
6. It will give the City and the Comptroller General, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the grant.
7. It will cause work on the project to be commenced within a reasonable time after receipt of notification from the City that funds have been approved and that the project will be performed to completion with reasonable diligence.
8. It will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and in accordance with Title VI of that Act, no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives federal financial assistance and will immediately take any measures necessary to effectuate this agreement.
9. It will comply with the requirements of Title II and Title III of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (P.L. 91-646), which provides for fair and equitable treatment of persons displaced as a result of federal and federally-assisted programs.
10. It will comply with the provisions of the Hatch Act, which limit the political activity of employees.
11. It will comply with the minimum wage and maximum hours provisions of the Federal Fair Labor Standards Act as they apply.
12. It will insure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the project are not listed on the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify the city/federal grantor agency of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be utilized in the project is under consideration for listing by the EPA.
13. It will assist the city/federal grantor agency in its compliance with Section 106 of the National Historic Preservation Act of 1966 as amended (16 U.S.C. 470), Executive Order 11593, and the Archeological and Historic Preservation Act of 1966 (16 U.S.C. 469a-1 et seq.).

14. It will comply with Texas Civil Statutes, Article 5996a, by insuring that no officer, employee, or member of the applicant's governing body or of the applicant's contractor shall vote or confirm the employment of any person related within the second degree by affinity or third degree by consanguinity to any member of the governing body or to any other officer or employee authorized to employ or supervise such person. This prohibition shall not prohibit the employment of a person who shall have been continuously employed for a period of two years prior to the election or appointment of the officer, employee, or governing body member related to such person in the prohibited degree.

15. It will insure that all information collected, assembled or maintained by the applicant relative to this project shall be available to the public during normal business hours in compliance with Texas Civil Statutes, Article 6252-17a, unless otherwise expressly provided by law.

16. It will conduct and administer the program in conformity with the Fair Housing Act (42 USC Section 3901 et. Seq.) and that it will affirmatively further fair housing.

17. It will minimize displacement of persons as a result of activities assisted with CDBG-CV funds. In the event that displacement of residential dwellings will occur in connection with a grant-assisted project, it will follow a residential anti-displacement and relocation assistance plan as specified by the City of San Marcos.

18. It certifies that it is not now, nor has it ever been, on the Federal List of Debarred Contractors.

19. It will not attempt to recover any capital costs of public improvements assisted in whole or in part with such funds by assessing any amount against properties owned and occupied by persons of LMI, including any fee charged or assessment made as a condition of obtaining access to such public improvements unless (a) such funds are used to pay the proportion of such fee or assessment that related to the capital costs of such public improvements that are financed from revenue sources other than such funds; or (b) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, applicant certifies that it lacks sufficient funds under this contract to comply with the requirements of clause (a).

20. It agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)) including subpart J and subpart K of these regulations, except that (1) the Agency does not assume the recipient's environmental responsibilities described in 24 CFR 570.604 and (2) Agency does not assume the recipient's responsibility for initiating the review process under the provisions of 24 CFR Part 52. Agency also agrees to comply with all other applicable Federal, State, and local laws, regulations, and policies governing the funds provided. Agency further agrees to utilize funds available to supplement rather than supplant funds otherwise available. Agency shall comply with all applicable Federal laws, regulations, and requirements, which include compliance with the provisions of the HCD Act and all rules, regulations, guidelines, and circulars promulgated by the various Federal departments, agencies, administrations, and commissions relating to the CDBG-CV Program. The applicable laws and regulations include, but are not limited to:

    - 24 CFR Part 570;
    - 24 CFR Parts 84 and 85;
    - The Davis-Bacon Fair Labor Standards Act;
    - The Contract Work Hours and Safety Standards Act of 1962;
    - Copeland "Anti-Kickback" Act of 1934;
    - Sections 104(b) and 109 of the Housing and Community Development Act of 1974;
    - Section 3 of the Housing and Urban Development Act of 1968;
    - Equal employment opportunity and minority business enterprise regulations established in 24 CFR part 570.904;
    - Non-discrimination in employment, established by Executive Order 11246 (as amended by Executive Orders 11375 and 12086);
    - Section 504 of the Rehabilitation Act of 1973 Uniform Federal Accessibility Standards;
    - The Architectural Barriers Act of 1968;
    - The Americans with Disabilities Act (ADA) of 1990;
    - The Age Discrimination Act of 1975, as amended;

- ☐ National Environmental Policy of 1969 (42 USC 4321 et seq.) as amended;
- ☐ Lead Based paint regulations established in 24 CFR Parts 35, 570.608, and 24 CFR 982.401;
- ☐ Asbestos guidelines established in CPD Notice 90-44;
- ☐ HUD Environmental Criteria and Standards (24 CFR Part 51);
- ☐ The Energy Policy and Conservation Act (Public Law 94-163) and 24 CFR Part 39
- ☐ Flood Disaster Protection Act of 1973;
- ☐ Colorado House Bill 06-1023 and 06-1043;
- ☐ Procurement Standards (2 CFR 200.322);
- ☐ Rights to Inventions Made Under a Contract or Agreement (37 CFR 401.2 (a));
- ☐ Energy Efficiency (2 CRF Part 200 Appendix II); and
- ☐ Recycling (2 CFR Part 200 Appendix ii).

CERTIFICATIONS REGARDING LOBBYING:

21. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

22. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit standard form – "Disclosure Form to Report Lobbying", in accordance with its instructions.

23. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

24. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

GENERAL CERTIFICATIONS:

25. The information, exhibits, and schedules contained in this application are true and accurate statements and represent fairly the financial condition of our organization;

26. Our organization is eligible to receive federal funding and has not been placed in a debarred or otherwise ineligible status under the provisions of CFR Part 24;

27. Our organization prohibits discrimination in accordance with Title VI of the Civil Rights Act of 1964; and,

28. Our governing body has duly authorized submission of this document. If funded, we agree to comply with the procedures outlined in the "Playing by the Rules" handbook that will be supplied by the City of San Marcos.

I, the duly authorized representative of the applicant organization, certify that the foregoing statements are true to the best of my knowledge and belief:

CERTIFIED BY:

Signature: Carole Belver Date Signed: January 8, 2021

Printed Name: Carole Belver Title: Executive Director

Organization Name: Community Action, Inc. of Central Texas

Community Action, Inc. of Central Texas
Board of Directors
January 2021

Last Name, First, Middle	Address	Telephone	Email address	Office Held	Term of Membership	Business Affiliation Job Title
Public or Elected Officials						
Rosalba Merchant	1500 Mustang San Marcos, TX 78666			Secretary	3/12-*	Hays County Commissioners Court-appointee
Juan Mendoza	P.O. Box 932 Lockhart, TX 78644			Ex. Comm. Board Member	1/2015-*	City of Lockhart Councilman
Barbara Shelton	P.O. Box 136 Lockhart, TX 78644	512-398-1808	Barbara.shelton@co.caldwell.tx.us	Vice President (Treasurer)	11/2019-*	Caldwell County Commissioners Court appointee
Melissa Derrick	109 Kathryn Cove San Marcos, TX 78666			Board Member	03/2014-*	City of San Marcos City Council
Vacant						
Neighborhoods						
Alissa Ifowodo	2016 Ramona Circle San Marcos, TX 78666			Ex. Comm. Board Member	07/2017-2022	Castle Forest Neighborhood Association Attorney
Cindy Partida	141 Palm Street Luling, TX 78648			Board Member	01/2021-11/2021	Head Start Policy Council Representative (this is required by our by-laws)
Ray Sanders	1200 W. Live Oak Lockhart, TX 78644	512-376-1318 c	rsanval@aol.com	President	01/2012-1/2022	Lockhart Community Public Hearing
Vacant						
Vacant						Vacant since 7/2017
Private Groups						
Diane Insley	625 E. Hopkins San Marcos, TX 78666			Board Member	05/18/2017-2022	San Marcos Public Library
Julie Carter	145 Riverpark Drive Luling, TX 78648			Board Member	7/2019-7/2024	Clinical Social Work and Administrator-Equity Firm
Elizabeth Raxter	804 Ross Circle, Lockhart, TX 78644			Board member	01/2018-01/2023	Attorney
Gloria P. Martinez-Ramos	1224 N. LBJ Drive San Marcos, TX 78666			Board member	09/2020-09/2025	Professor of Sociology
Vacant						

* The term of office for public officials, or their representatives, shall be five consecutive years or as long as the public official remains in office. ** The term of office for the Policy Council representative is for as long as the individual is voted in by the Head Start Policy Council, but no more than 5 years.

January 11, 2021

Minutes Executive Committee

Members present:

Ray Sanders, President

Juan Mendoza

Alissa Ifowodo

Barbara Shelton

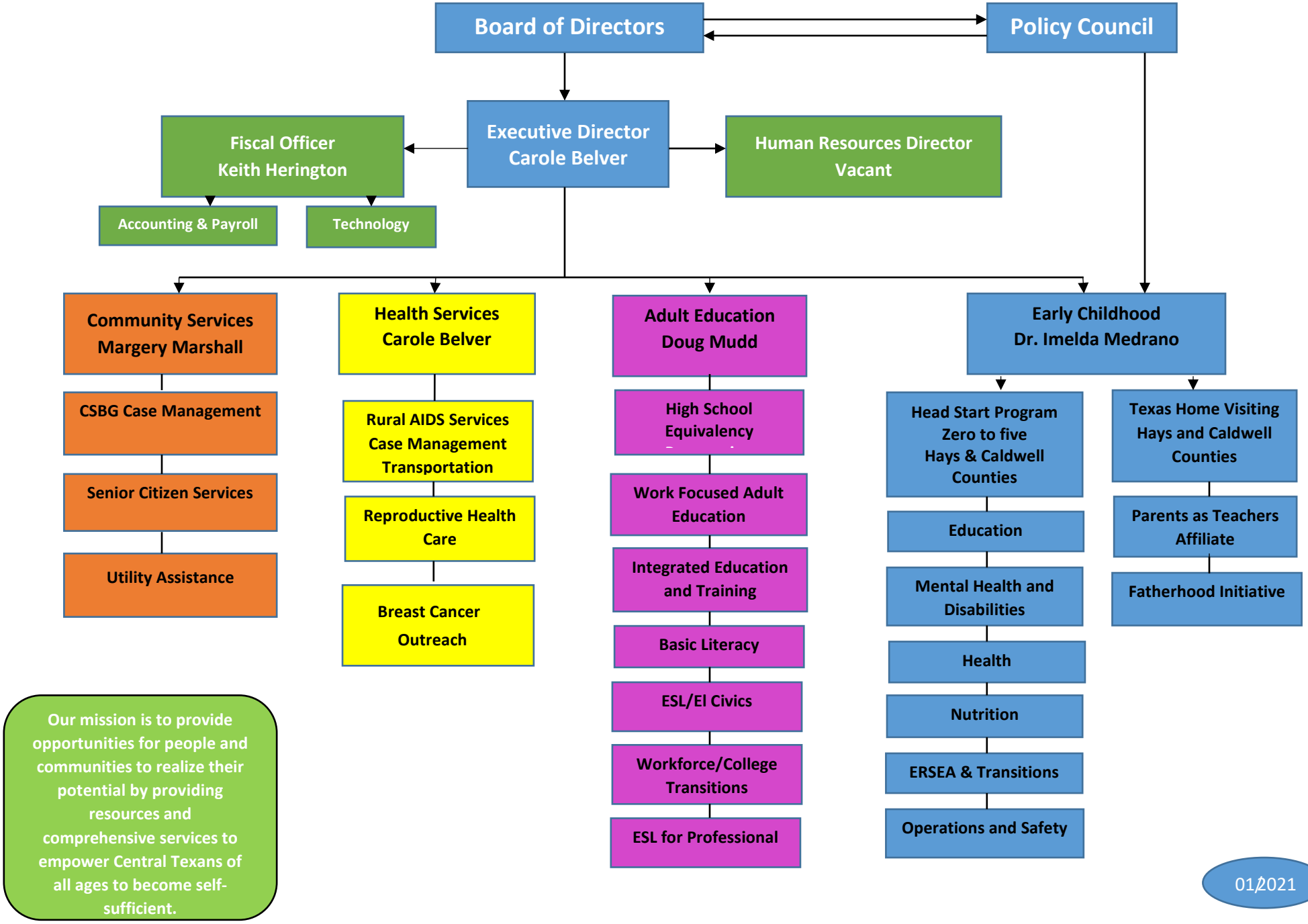
Ray Sanders called the Executive Committee to order at 11:00 a.m. on January 11, 2021. A quorum of the Executive Committee of Community Action, Inc. of Central Texas was present via zoom.

Ms. Belver reviewed the proposed grant application to be submitted to the City of San Marcos for COVID-19 Relief Program. The amount requested is $550,566. Community Action, Inc. of Central Texas and the Blanco River Regional Recovery Team (BR3T) will partner to provide rental assistance to residents of San Marcos that have been affected by the COVID-19 pandemic.

Mr. Sanders asked for questions from the Committee. It was clarified that this funding was only for San Marcos residents. Barbara Shelton moved for approval of the grant application, seconded by Juan Mendoza. Motion carried.

Meeting was adjourned at 11:15 a.m.

Community Action, Inc.
of Central Texas
DEVELOPING OPPORTUNITIES



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...13697
...in, Texas 78711-3697

Hope Andrade
Secretary of State

Office of the Secretary of State

CERTIFICATE OF FILING
OF

Community Action, Inc. of Central Texas
21746801

[formerly: COMMUNITY ACTION, INC., OF HAYS, CALDWELL, AND BLANCO COUNTIES]

The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Amendment for the above named entity has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

Dated: 09/28/2011

Effective: 09/28/2011

Hope Andrade
Secretary of State

The State of Texas

Secretary of State

CERTIFICATE OF AMENDMENT

FOR

COMMUNITY ACTION, INC., OF HAYS, CALDWELL, AND BLANCO COUNTIES
CHARTER NUMBER 00217468

THE UNDERSIGNED, AS SECRETARY OF STATE OF THE STATE OF TEXAS, HEREBY CERTIFIES THAT THE ATTACHED ARTICLES OF AMENDMENT FOR THE ABOVE NAMED ENTITY HAVE BEEN RECEIVED IN THIS OFFICE AND ARE FOUND TO CONFORM TO LAW.

ACCORDINGLY THE UNDERSIGNED, AS SECRETARY OF STATE, AND BY VIRTUE OF THE AUTHORITY VESTED IN THE SECRETARY BY LAW, HEREBY ISSUES THIS CERTIFICATE OF AMENDMENT.

DATED APR. 8, 1996

EFFECTIVE APR. 8, 1996

Antonio O. Garza, Jr., Secretary of State

ARTICLES OF AMENDMENT TO THE

ARTICLES OF INCORPORATION OF COMMUNITY ACTION, INC.

OF HAYS, CALDWELL AND BLANCO COUNTIES

FILED
In the Office of the
Secretary of State of Texas
APR 08 1996
Corporations Section

Pursuant to the Provisions of Article 4.03 of the Texas Non-Profit Corporation Act, the undersigned corporation adopts the following Articles of Amendment to its Articles of Incorporation to change the period of duration for the said corporation, the funding assistance provided to the said corporation, and to state that the corporation owns property.

ARTICLE III

The period of its duration is 20 years.

The following amendment to the Articles of Incorporation were adopted at a meeting of the Board of Directors held on this 21st day of March, 1996, and received the vote of a majority by the directors in office, there being no members having voting rights in respect thereto:

Article III of the Articles of Incorporation is hereby amended to read as follows:

The period of the said corporation's duration is perpetual.

ARTICLE IV

The purpose for which the corporation is organized are the utilization of federal assistances in community action programs to help local urban and renewal communities in Hays, Caldwell and Blanco Counties, Texas, to mobilize their resources to combat poverty and the involvement of the residents of the areas and members of the group to be served.

The following amendment to the Articles of Incorporation were adopted at a meeting of the Board of Directors held on this 21st day of March, 1996, and received the vote of a majority by the directors in office, there being no members having voting rights in respect thereto:

Article IV of the Articles of Incorporation is hereby amended to read as follows:

The purpose of which the corporation ~~is organized is to utilize federal, state, local~~ and private funds granted to said corporation to help local urban and rural communities in Hays, Caldwell and Blanco Counties, Texas, to mobilize their resources to combat poverty and the involvement of the residents of the areas and members of the group to be served.

ARTICLE VIII

The corporation shall have no capital stock and the corporation owns no property.

The following amendment to the Articles of Incorporation were adopted at a meeting of the Board of Directors held on this 21st day of March, 1996, and received the vote of a majority by the directors in office, there being no members having voting rights in respect thereto:

Article VIII of the Articles of Incorporation is hereby amended to read as follows:

The corporation shall have no capital stock.

EXECUTED IN DUPLICATE this the 21st day of March, 1996.

COMMUNITY ACTION, INC. OF HAYS,
CALDWELL AND BLANCO COUNTIES

Catalina Lara

Ms. Catalina Lara
Chair of the Board of Directors

Patsy Kimball

Ms. Patsy Kimball
Executive Secretary

F. Guerra

Mr. Fred Guerra
Vice-Chairman of the Board of Directors

Frank T. Arredondo

Mr. Frank T. Arredondo
Executive Director

FTA/cm

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NON-PROFIT

1965

OFFICE OF THE SECRETARY OF STATE

CERTIFICATE OF INCORPORATION
OF

COMMUNITY ACTION, INC., OF HAYS COUNTY

The undersigned, as Secretary of State of the State of Texas, hereby certifies that duplicate originals of Articles of Incorporation for the above corporation duly signed and verified pursuant to the provisions of the Texas Non-Profit Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY the undersigned, as such Secretary of State, and by virtue of the authority vested in him by law, hereby issues this Certificate of Incorporation and attaches hereto a duplicate original of the Articles of Incorporation.

Dated October 1, 1965

Crawford C. Martin
Secretary of State

Filed in the Office of the
Secretary of State of Texas
This 1 day Oct 1965
Director, Charter Division

ARTICLES OF INCORPORATION

OF

COMMUNITY ACTION, INC., OF HAYS COUNTY

We, the undersigned natural persons of the age of 21 years or more, at least two of whom are citizens of the State of Texas acting as incorporators of a corporation under the Texas Non-Profit Corporation Act, do hereby adopt the following articles of incorporation for such corporation:

ARTICLE I

The name of the corporation is Community Action, Inc., of Hays County.

ARTICLE II

The corporation is a non-profit corporation.

ARTICLE III

The period of its duration is 20 years.

ARTICLE IV

The purposes for which the corporation is organized are the utilization of federal assistance in community action programs to help local urban and renewal communities in Hays County, Texas, to mobilize their resources to combat poverty and the involvement of the residents of the areas and members of the groups to be served.

ARTICLE V

The street address of the initial registered office of the corporation is 600 Lyndon B. Johnson Drive, San Marcos, Hays County, Texas, and the name of its initial registered agent at such address is Jim Hobbs.

ARTICLE VI

The business of this corporation shall be transacted by its board of directors and the number of directors constituting the initial board of directors of the corporation is twenty-one (21), and the names and address of the persons who are to serve as initial directors are:

H. Y. Price, Jr., Kyle, Texas

Raymond L. Czichos, Wimberley, Texas

Marion E. Summer, Dripping Springs, Texas

Oscar Benold, Buda, Texas

Albert Armstead, San Marcos, Texas

Joe Rodriguez, San Marcos, Texas

Henry Bush, San Marcos, Texas

James Smith, San Marcos, Texas

Mrs. Tess Norris, San Marcos, Texas

Bob Scott, San Marcos, Texas

Joe Hutchinson, San Marcos, Texas

B. R. Fuller, San Marcos, Texas

Jim Griffith, San Marcos, Texas

Rev. H. C. Chandler, Kyle, Texas

Luciana Flores, San Marcos, Texas

Bob Cooper, San Marcos, Texas

Carolyn Chandler, San Marcos, Texas

Tom Buckner, San Marcos, Texas

James H. McCrocklin, San Marcos, Texas

Jerry Veidt, San Marcos, Texas

Celestino Mendez, Jr., San Marcos, Texas

COMMUNITY ACTION, INC. OF CENTRAL TEXAS

CONSTITUTION AND BY-LAWS

PREAMBLE

In order to secure and use all available local, state, federal and private resources to eliminate poverty, and to enable low-income individuals and families to attain the means and to secure the opportunities needed to become fully self-sufficient, we the member of the Board of Directors of Community Action, Inc. of Central Texas, do ordain and establish this constitution.

ARTICLE I - NAME

The name of the organization shall be Community Action, Inc. of Central Texas ("the Corporation") and it shall be established under the rules and regulations set by the Community Services Block Grant Act and are incorporated as a non-profit corporation under the laws of the State of Texas. The administrative office of Community Action, Inc. of Central Texas shall be in San Marcos, Hays County, Texas 78666.

ARTICLE II - PURPOSE

The purpose of Community Action, Inc., of Central Texas shall be:

A. To administer the programs of the Texas Dept. of Housing and Community Affairs in Hays, Caldwell, and Blanco Counties and other programs in the Central Texas areas as appropriate.

B. To work with the community for the reduction of poverty, the revitalization of low-income communities, and the empowerment of low-income families and individuals to become fully self-sufficient.

C. To engage the community on issues, needs, and interests of the target population by mobilizing available resources to address those needs and issues.

ARTICLE III - BOARD OF DIRECTORS

Section 1 – Roles and Responsibility

A. The Board of Directors shall ensure that the purpose of the Corporation as expressed in the Preamble is carried out. The Board of Directors shall be responsible for ensuring that the Corporation complies with the provisions of the Open Meetings Act and Public Information Act regarding meetings, meeting notices and meeting records. The Board of Directors shall be responsible for the planning, coordination, evaluation and administration of the programs operated by the Corporation. The Board of Directors has the legal and financial responsibility to enter into legally binding agreements with any Federal, State, or local agency or with any private organization for the purpose of running programs or providing services.

B. The Board of Directors shall:

1. Appoint the Executive Director who will manage the day to day operation of the corporation, including the hiring, supervision, and termination of employment of agency staff and consultants;

2. Remove the Executive Director for just cause by a majority vote of the Board;

3. Determine, subject to the regulations of funding entities, major personnel organization, fiscal, and program policies;

4. Determine overall program plans and priorities for the Corporation, including provisions for evaluating performance;

5. Grant final approval of all program proposals and budgets;

6. Enforce compliance with the conditions of all grants, contracts, and sub-recipient agreements;

7. Work in partnership with the Head Start Policy Council as it relates to the Head Start program;

9. Authorize opening/closing of all corporate bank accounts; and

10. Authorize signatories for all corporate checks for duly authorized expenditures. Corporate checks shall be signed by any two of the following: Executive Director, Fiscal Officer, designated Division Directors, President of the Board, Vice-President, or Secretary.

Section 2- Membership

A. Tripartite

The corporation shall be governed by a Board of Directors composed of fifteen (15) Directors who reside in Hays, Caldwell or Blanco Counties. There shall be a tripartite composition of the Board of Directors to reflect equal representation of elected Public Officials, representatives of low-income individuals and families, and private entities. Membership will include at least one Director with a background and expertise in accounting or fiscal management; one with a background in early childhood development and one who is a licensed attorney.

1. One third of the Directors shall be elected public officials, holding office on the date of selection, or their representatives. If the number of such elected officials reasonably available and willing to serve on the board is less than 1/3 of the membership of the Board, appointive public officials or their representatives may be counted in meeting the 1/3 requirement.

2. One third of the Directors shall be representatives of low-income individuals and families in the neighborhood served and who reside in the neighborhood represented by the member. Neighborhood Councils, which are

proportionately established throughout the target areas, will select those representatives at a well-publicized meeting of the neighborhood. In areas where neighborhood councils have not been established, representatives will be selected at a public hearing in the community, by residents that reside within that community. One of the five will be a Head Start Parent that is elected by the Head Start Policy Council.

3. One third of the Directors shall be officials or members of business, industry, labor, religious, law enforcement, education, or other major groups and interests in the community served. The Board may choose either individuals or organization(s) that are asked to designate a representative to fill the private sector.

4. Officers. The officers of the corporation shall consist of the President, Vice-President and Secretary and such other officers, if any, as the board of directors may determine from time to time. No director shall hold more than one office at the same time.

B. Criteria for Selection

1. The prospective Director must have expressed interest in assisting disadvantaged citizens.

2. The prospective Director must be willing and able to actively participate in Board activities and committees.

3. Every Director who is selected to represent a specific geographic area within the community must reside within the area which s/he represents. This requirement of residency shall apply to:
    a. All representatives of the target area;
    b. Those public officials (or their representatives) who represent specific political subdivisions, wards or districts;
    c. Representatives of private community groups which are organized on a geographic basis.

C. Term of Office

1. The term of office for public officials, or their representatives, shall be five consecutive years, but no longer than a total of ten years as long as the public official remains in elected office. In the event that the public official no longer holds elected office the director will serve on the board until their elected service ends and a suitable replacement is found.

2. With the exception of the Head Start Policy council representatives, the term of office for low-income individuals and families and representatives of private organizations shall be five consecutive years, but no more than a total of ten years. The term for the Head Start Policy council board member will be one year for up to three consecutive one year terms.

3. Term of office begins on the date of the official seating on the Board of Directors.

D. Resignations and Vacancies

1. Any Director may resign at any time by delivering written notice to the Secretary or President of the Board of Directors. Such resignation shall take effect upon receipt or, if later, at the time specified in the notice.

2. In no event shall the board allow 25% or more of either the public, private, or poverty sector board positions to remain vacant for more than ninety (90) days.

3. Vacancies shall be filled by the organizations that are representative of the group from which the vacancy occurred. When a vacancy occurs in a Public Sector Board seat held by a public official, the Board of Directors shall select another public official to serve as a replacement director or to appoint a representative, subject to Board approval, to so serve. When a vacancy occurs in a Public Sector Board seat held by the representative of a public official, the Board shall request that the public official either take the seat or name another representative, subject to approval by the Board, to serve as a replacement director. If the public official fails to take the seat or to name another representative within the period specified by the Board, the Board shall select another public official to serve as a replacement director or to appoint a representative, subject to board approval, to so serve. Vacancies in the low-income sector shall be filled using the same democratic process originally used to fill the seat. The board shall fill vacancies in the Private Sector except for a vacancy in a seat held by an individual designated by a Private Sector Organization; when a vacancy occurs in such a seat, the board shall ask the Private Sector Organization that designated that individual to designate another individual, subject to approval by the corporation's board, to fill the vacancy. Should that Private Sector Organization fail, within the period specified by the corporation's Board, to designate an individual to fill the vacancy, the corporation's Board shall select another Private Sector Organization to designate an individual, subject to approval of the corporation's Board, to fill the vacancy.

   Each successor shall hold office for the unexpired term of their predecessor until the successor dies, resigns, is removed or becomes disqualified and this service will count as service for term limitation purposes.

E. Compensation

Directors shall not receive any salaries or other compensation for their services. However, Directors may be reimbursed for any actual expenses incurred in the performance of their duties for the Corporation. The Corporation shall not loan money or property to, or guarantee the obligation of, any Director.

F. Meeting Attendance

Regular attendance at Director's Meetings is required of all directors. It shall be the policy of the Corporation to attempt to accommodate the schedules of its Directors; however, if a Director misses three (3) meetings in one year the director may be removed.

G. Removal

The Board of Directors, by a majority vote of the entire Board of Directors, may suspend or terminate a Director who, by his or her actions, undermines or violates the Corporation's purpose and/or philosophy as stated in the legal agreements; governance documents (Articles of Incorporation, bylaws, policies and procedures); and/or local, state, or federal laws.

Section 3 - Petitioning Procedure

A. Any private community groups or representative groups of the target area which feels itself inadequately represented on the Board may petition for adequate representation.

B. Any such petition must be signed by fifty (50) members of the petitioning group or by 50 percent (50%) of the bon-a-fide members of the group or organization.

C. The organization or group presenting such a petition shall be promptly afforded an informal open hearing before the Board in order that they may have a full and fair opportunity to present their request.

D. When a petitioning group is granted a seat on the Board pursuant to such a hearing, that representative shall be promptly seated and afforded all rights and privileges of any other members of the Board.

E. The Board shall then be re-adjusted and realigned in order to maintain the proper representation of public officials and the target area.

F. A written statement of the Board's action on such petitions shall be submitted to the petitioning group and a copy of that statement sent to Texas Dept. of Housing and Community Affairs. There will be a constant effort to ensure minority private group interest on the Community Action Board of Directors

Section 4 - Conflict of Interest

A. No person may sit on the board who is an officer or an employee of the organization or an organization contracting to perform a component of the Community Services Block Grant work program funded by the Texas Department of Housing and Community Affairs (TDHCA) or be employed by a contractor during his/her service on the board or for twelve months (12) thereafter.

B. Public officials sitting on the Community Action board will not be in conflict if the agency should contract with his/her jurisdiction to perform a component of the work program funded by TDHCA.

C. No employee of Community Action or of the Texas Department of Housing and Community Affairs may serve on the board, and no other state employee may serve on the board in a capacity which will require him/her to act as an agent of or attorney for Community Action in its dealings with TDHCA or with any other state agency.

Section 5 - Nepotism

A. No person will be employed by the Agency while he or she or any member of his or her immediate family (as defined below) serve on the Board of Directors, or on the Head Start Policy Council. No person shall be appointed to the Board of Directors or to the Head Start Policy Council if she/he has an immediate family member who is employed by the Agency.

B. Immediate family for this purpose is defined as: spouse, father, father-in-law, mother, mother-in-law, brother, brother-in-law, sister, sister-in-law, son, son-in-law, daughter or daughter-in- law.

Section 6 - Officers

The Board shall elect a President, a Vice-President and a Secretary at its annual meeting. Each officer shall serve for a period of one year and may succeed him/herself in office upon a proper act of the Board. Any vacancy in any office because of death, resignation, or otherwise may be filled by the Board. The duties and responsibilities of the officers shall be:

A. President:

(1) shall preside at all meetings of the Board of Directors.

(2) shall have authority to call special meetings of the Board of Directors.

(3) shall be the official representative of the Board of Directors where the welfare of the members is concerned and the purpose of the corporation are at stake.

B. Vice-President:

(1) shall act as an assistant to the President of the Board of Directors;

(2) shall assume the duties of the President if the President is absent; and shall become President in the event the office becomes vacant before the expiration of the term of that office.

(3) shall be the chairman of the Finance Committee.

C. Secretary:

(1) shall keep permanent records of all proceedings of the Board of Directors and the Executive Committee.

(2) shall conduct all correspondence of the Board of Directors and the Executive Committee on request of the President and shall do any other secretarial work pertaining to the organization's proceedings.

(3) shall assume the duties of the President if the President and/or Vice-President is absent; and shall become President in the event that both the President or Vice-President are unable to serve the remaining term of the

President.

ARTICLE IV - MEETINGS OF THE BOARD OF DIRECTORS

Section 1 – Annual Meeting

The annual meeting of the Board of Directors shall be on the 3rd Thursday of September each year or as set by the Board President.

Section 2 – Regular Meetings

Regular meetings shall be held on the 3rd Thursday of odd numbered months or as set by the Board President. The Board must meet at least once per calendar quarter and at a minimum of five (5) times per year and must give each member a notice of meeting five (5) days in advance of the meeting.

Section 3 –Special Meetings

Special meetings may be called by the President of the Board, or upon the request of any three (3) members of the Board pursuant to the notice requirements of this Article.

Section 4 –Emergency Meetings

In the event of the need for an emergency meeting as defined in the Open Meetings Act, the meeting may be called by the President of the Board, or upon the request of any three (3) members of the Board. Posting of the agenda and special notice of the meeting will be carried out in accordance with the Open Meetings Act.

Section 5 – Notice, Agenda and Minutes

A. A notice of the date, time, and place of regular meetings and special called meetings shall be given to each Director by regular mail, facsimile, or e-mail no less than ten business days prior to the meeting.

B. A preliminary agenda of regular and special called meetings, minutes of the previous meeting and documents related to the agenda, shall be given to each Director by regular mail, facsimile, or e-mail no less than five business days prior to the meeting.

C. The posted agenda of regular and special called meetings shall be given to each Director by regular mail, facsimile, or e-mail, and shall be considered the final agenda. It shall be posted at the business entrance to the Community Action main administrative office and at its website, www.communityaction.com, no less than seventy-two (72) hours prior to the meeting.

D. No meeting, be it regularly scheduled or special called, may address the issues of (1) removal of a member of the board for cause, (2) the election of officer(s), or (3) the hiring or firing of the Executive Director of this corporation unless such items appear on an agenda circulated pursuant to the requirement of this constitution.

E. The Board of Directors shall keep for each meeting written minutes which include a record of Directors present by category and a record of votes on all motions. Minutes shall be made available to the public upon request. The Board of Directors shall also make available to the public upon request translations of the minutes in areas where a significant portion of the poverty population does not speak English.

Section 6 – Meeting Locations

All meetings of the Board of Directors shall be held in either Hays, Caldwell or Blanco County, Texas, at a location convenient to the target area representative.

Section 7 - Quorum

A quorum shall consist of 50 percent (50%) of the members in good standing of the Board of Directors of this corporation on the date of the meeting. No business may be conducted at any meeting unless a quorum is present.

Section 8 – Majority Rule

The act of the majority of the Directors at any meeting at which a quorum is present shall be an act of the Board.

Section 9 - Open Sessions

All meetings of the Board of Directors are open to the public and shall be held in open session except those meetings which intend to address sensitive personnel actions or unevaluated data of a sensitive nature. Such matters may be taken up in Executive Session (closed) upon a majority vote of a simple quorum of the Board. All decisions made by the Board of Directors shall be made in open session.

Section 10 – Executive Sessions

A. The Board of Directors must first convene in an open meeting for which notice has been given and the publicly announces that an Executive (closed) session will be held; and identifies the section or sections of the Open Meetings Act under which the closed meeting is held.

B. Only the members of the Board of Directors have the right to attend an executive session, except that the Corporation's attorney must be present when it meets under "The Texas Open Meetings Act," "Consultation with Attorney," Section 551.071 of the Open Meetings Act. The Board of Directors has discretion to include any staff members whose participation is necessary to the matter under consideration.

C. There shall be no action taken by the Board of Directors while in Executive Session.

Section 11- Parliamentary Procedures

Where necessary in matters not covered by these bylaws, Roberts Rules of Order, Newly

Revised shall serve as a guide to proper procedure at meetings of the board and its committees.

Section 12 - Voting

A. Each member of the Board shall be entitled to one vote.

B. Proxy voting is prohibited,

C. All voting shall take place in open session.

Section 13 - Meetings using Telephone or Videoconference

The Board of Directors may conduct meetings by telephone under limited circumstances and are subject to procedures that may include special requirements for notice, record-keeping and two-way communication between meeting locations.

The Board may conduct a meeting by videoconference if a quorum of the board is present at one location and the public is given access to that meeting space. The public must also be able to witness the comments and actions of any officials attending the meeting remotely, and be able to participate via the videoconferencing just as they would at a traditional public meeting.

ARTICLE V - COMMITTEES

Section 1 – Executive Committee

A. The Executive Committee shall consist of the President, Vice-President, Secretary, and two members of the Board of Directors. At the annual meeting the Board of Directors shall elect two members at large to serve with the officers of the Board of Directors as the Executive Committee. These two shall be elected in such way that the Executive Committee shall be made up with representation from Article III Section 2A.

B. The Executive Committee shall recommend courses of action to the Board of Directors.

C. The Executive Committee shall nominate an Executive Director to the Board of Directors whenever a vacancy shall occur in that office.

D. The Executive Committee shall take steps to ensure the faithful execution of the provisions of this Constitution.

E. The Executive Committee shall transact business between meetings of the full board and shall report such business at the next meeting of the full board.

Section 2 – Standing Committees

The Corporation shall have standing committees that shall assist the Board of Directors in carrying out the management of the Corporation: The Finance Committee, the Audit Committee, the Personnel Committee, the By-Laws Committee, the Head Start Committee, and Nominating

Committee. The Board of Directors shall appoint the members of each committee and name the chairman. The chairman must currently sit on the Corporation's Board of Directors. Committees shall reflect the board's tripartite composition whenever possible. Delegation of authority to a committee will not relieve the Board or any individual Director from their fiduciary duties. Directors, employees of the corporation, experts from the community at-large and members of the Head Start Policy Council may be appointed to serve as committee members. There shall be a minimum of three members on each committee.

The Chairman of the Committee shall call committee meeting. Each Committee is to review the activities of the Committee's respective areas and make recommendations to the Board of Directors for the Board's final approval. Committee meetings shall be open to all members of the Board of Directors. A simple majority of any committee shall constitute a quorum of that committee. Any act of the majority of a committee at which a quorum is present shall constitute an act of that committee. Each member of any committee must be notified in writing or email of the time, date, and the location of such meeting at least five (5) days before the committee shall meet.

A. The Finance Committee shall review and present all proposal budgets and the Corporate budget to the Board of Directors, make necessary investment choices, and protect the soundness of the Corporation's finances and fiscal operations. The Vice-President of the Board of Directors shall serve as the Chairman of the Finance Committee.

B. The Audit Committee shall arrange for the annual audit. At a minimum they will select the auditor, oversee the audit process, oversee internal controls, conflict of interest and whistleblower policies and ensures that the auditor's management letter concerns are addressed and resolved.

C. The Personnel Committee shall 1.) periodically review the Corporation's personnel policies and procedures, 2.) review the corporation's compensation schedule, 3) review the corporation's employee benefits package, 4) serve as an appeal panel for employee grievances, and 5) receive information from the corporation's staff and/or attorney on legal proceeding involving the corporation's employees and shall report finding and provide recommendations to the board on these matters.

D. The By-Laws Committee shall review the Corporation's bylaws and Articles of Incorporation at least every five years and make recommendations for amendments to the Board of Directors.

E. The Head Start Committee shall review information required by the Head Start Program and make recommendations to the full board.

G. Nominating Committee shall propose a slate of officers for the Annual Meeting, oversee board recruitment, and coordinate the board's periodic evaluation process of itself.

ARTICLE VI-BONDING

The Board of Directors shall require all officers of the corporation charged with handling of

funds, and may require any other officer, director, employee or agent, to be bonded for performance of their duties in such amount and by such bonding company registered in the State of Texas and shall be satisfactory to the board.

ARTICLE VII-INDEMINIFATION OF OFFICERS AND MEMBERS

Section 1

The Corporation shall indemnify and hold harmless the directors and officers of the Corporation from any damages arising from actions in their official capacity to the fullest extent allowed by the non-profit laws of the State of Texas. Any officer or director seeking indemnification under this section shall notify the Corporation in writing promptly after any such coverable incident or situation given to rise to the need for indemnification. In no event shall the Corporation be liable for any attorney's or collateral fees incurred by a director or officer without the Corporation's prior written approval.

Section 2

The Corporation shall purchase and maintain a policy of directors and officer's liability insurance with dollar limits, coverage, exclusions and other terms and conditions deemed to be in the best interest of the Corporation.

ARTICLE VIII- AMENDMENTS

Section 1

A. Amendments to this Constitution may be proposed by any member of the Board of Directors by submitting the proposed changes to the By-Laws Committee. The By-Laws Committee shall then submit said amendment with its recommendations to the Board of Directors at the next regular meeting.

B. Due notice shall be given by the By-Laws Committee to the membership of the Board of Directors by sending a copy of any proposed amendment and its recommendations not less than two weeks and not more than thirty (30) days before the meeting. Amendments may be adopted by two-thirds (2/3) vote of those present at the regular or Annual meeting.

C. All amendments shall take effect immediately upon adoption and must be attached to the Constitution within seven (7) days after approval, and copy of the same shall be sent to all Directors. Amendments shall be promptly transmitted to the Texas Dept. of Housing and Community Affairs.

ARTICLE IX - DISSOLUTION OF CORPORATION

Dissolution of the corporation shall be in compliance with the laws of the State of Texas.

AS ADOPTED AND AMENDED THIS 18TH DAY OF MARCH 1993
AS ADOPTED AND AMENDED THIS 8TH DAY OF NOVEMBER 2000
AS ADOPTED AND AMENDED THIS 3RD DAY OF OCTOBER, 2002
AS ADOPTED AND AMENDED THIS 18TH DAY OF NOVEMBER 2010
AS ADOPTED AND AMENDED THIS 8TH DAY OF MARCH 2018

Internal Revenue Service
District Director

Department of the Treasury

P. O. Box 2508
Cincinnati, OH 45201

Date: May 24, 1999

Community Action Inc.
Of Hays, Caldwell & Blanco Counties
101 Uhland Rd
San Marcos, TX 78666-6681

Person to Contact:
Bob Edwards 31-04014
Customer Service Representative
Telephone Number:
877-829-5500
Fax Number:
513-684-5936
Federal Identification Number:
74-1541726

Dear Sir or Madam:

This letter is in response to your request for a copy of your organization's determination letter. This letter wil take the place of the copy you requested.

Our records indicate that a determination letter issued in May 1966, granted your organization exemption from federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect.

Based on information subsequently submitted, we classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in sections 509(a)(1) and 170(b)(1)(A)(vi).

This classification was based on the assumption that your organization's operations would continue as state in the application. If your organization's sources of support, or its character, method of operations, or purposes have changed, please let us know so we can consider the effect of the change on the exempt status and foundation status of your organization.

Your organization is required to file Form 990, Return of Organization Exempt from Income Tax, only if its gross receipts each year are normally more than $25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of $20 a day, up to a maximum of $10,000, when a return is filed late, unless there is reasonable cause for the delay.

All exempt organizations (unless specifically excluded) are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of $100 or more paid to each employee during a calendar year. Your organization is not liable for the tax imposed under the Federal Unemployment Tax Ac (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes.

RECEIVED
JUN 01 1999
COMMUNITY ACTION, INC.

Community Action Inc. of Hays, Caldwell & Blanco Counties
74-1541726

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes.

Donors may deduct contributions to your organization as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to your organization or for its use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Your organization is not required to file federal income tax returns unless it is subject to the tax on unrelated business income under section 511 of the Code. If your organization is subject to this tax, it must file an income tax return on the Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your organization's present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

Because this letter could help resolve any questions about your organization's exempt status and foundation status, you should keep it with the organization's permanent records.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

This letter affirms your organization's exempt status.

Sincerely,

C. Ashley Bullard

C. Ashley Bullard
District Director

Community Action, Inc of Central Texas
Agency Budget
Proposed For the Period November 1, 2020 through October 31, 2021

		Budget
REVENUES		
Grants & Contracts	$	13,353,755
In-Kind Contributions		1,556,162
Fee for Service Revenue		36,250
Donations		29,000
TOTAL REVENUES		14,975,167
EXPENDITURES		
Personnel		7,576,340
Fringe Benefits		2,043,689
Travel		99,554
Supplies		311,509
Contractual		1,044,204
Other Operating		3,899,871
TOTAL EXPENDITURES		14,975,167
CHANGE IN NET ASSETS	$	0

Community Action, Inc of Central Texas
Agency Budget
Proposed For the Period November 1, 2021 through October 31, 2022

	Budget
REVENUES	
Grants & Contracts	$ 12,484,956
In-Kind Contributions	1,556,162
Fee for Service Revenue	36,250
Donations	19,000
TOTAL REVENUES	14,096,368
EXPENDITURES	
Personnel	7,378,835
Fringe Benefits	1,998,230
Travel	98,087
Supplies	301,275
Contractual	883,925
Other Operating	3,436,016
TOTAL EXPENDITURES	14,096,368
CHANGE IN NET ASSETS	$ 0

COMMUNITY ACTION, INC. OF CENTRAL TEXAS

FINANCIAL REPORT

FOR THE YEAR ENDED

OCTOBER 31, 2019

COMMUNITY ACTION, INC. OF CENTRAL TEXAS
OCTOBER 31, 2019

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Armstrong, Vaughan & Associates, P. C.

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Community Action, Inc. of Central Texas
San Marcos, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of Community Action, Inc. of Central Texas, which comprise the statement of financial position as of October 31, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audit contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

941 West Byrd Blvd., Suite 101 • Universal City, Texas 78148
Phone: 210-658-6229 • Fax: 210-659-7611 • Email: info@avacpa.com • www.avacpa.com

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Action, Inc. of Central Texas of October 31, 2019, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Supplementary Combining Statements (pages reflected in the table of contents) and the Schedule of Expenditures of Federal and State Awards are presented for purposes of additional analysis as required by Title 2 of the U.S. Code of Federal Regulations (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance) and the State of Texas Single Audit Circular, and is not a required part of the financial statements. The Combining Statements and the Schedule of Expenditures of Federal and State Awards is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Combining Statements and the Schedule of Expenditures of Federal and State Awards is fairly stated in all material respects in relation to the financial statements as a whole.

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report of July 23, 2020 and our consideration of Community Action, Inc. of Central Texas internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of this report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards,* in considering Community Action, Inc. of Central Texas' internal control over financial reporting and compliance.

Armstrong, Vaughan & Associates, P.C.

Armstrong, Vaughan & Associates, P.C.

July 23, 2020

COMMUNITY ACTION, INC. OF CENTRAL TEXAS
STATEMENT OF FINANCIAL POSITION
OCTOBER 31, 2019

ASSETS		
Current Assets:		
Cash and Cash Equivalents	$	933,594
Investments		4,000
Grants Receivable		1,295,806
Other Receivable		198
Prepaid Expenses		81,041
Inventory		25,976
Total Current Assets		2,340,615
Property and Equipment, Net		969,409
TOTAL ASSETS	$	3,310,024
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts Payable	$	1,206,456
Accrued Expenses		878,454
Short-term Debt - Line of Credit		52,000
Total Current Liabilities		2,136,910
Net Assets:		
Without Donor Restrictions		
Operations		81,900
Investment in Property and Equipment, Net		969,409
With Donor Restrictions		121,805
Total Net Assets		1,173,114
TOTAL LIABILITIES AND NET ASSETS	$	3,310,024

The accompanying notes are an integral part of these financial statements.

COMMUNITY ACTION, INC. OF CENTRAL TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED OCTOBER 31, 2019

	Without Donor Restriction	With Donor Restriction	Total
REVENUES, SUPPORT, AND OTHER			
Revenues and Support:			
Federal and State Grant Revenues	$ -	$ 12,016,401	$ 12,016,401
Program Income	38,593	30,661	69,254
Non-Federal (Local) Revenues	180,992	98,522	279,514
In-Kind Revenues	1,492,823	-	1,492,823
Total Revenues and Support	1,712,408	12,145,584	13,857,992
Net Assets Released from Restrictions	12,116,380	(12,116,380)	-
TOTAL REVENUES, SUPPORT, AND OTHER	13,828,788	29,204	13,857,992
EXPENSES			
Program Expenses:			
Community Services Programs	1,079,464	-	1,079,464
Child and Family Services	8,369,660	-	8,369,660
Community Health Services	1,412,093	-	1,412,093
Adult Education Programs	2,087,240	-	2,087,240
Management and General	957,749	-	957,749
TOTAL EXPENSES	13,906,206	-	13,906,206
CHANGES IN NET ASSETS	(77,418)	29,204	(48,214)
NET ASSETS - BEGINNING OF YEAR (DEFICIT)	1,128,727	92,601	1,221,328
NET ASSETS - END OF YEAR	$ 1,051,309	$ 121,805	$ 1,173,114

The accompanying notes are an integral part of these financial statements.

COMMUNITY ACTION, INC. OF CENTRAL TEXAS
STATEMENT OF FUNCTIONAL EXPENSES
OCTOBER 31, 2019

	Program Services	Management & General	Total
FUNCTIONAL EXPENSES			
Salaries and Wages	$ 6,601,292	$ 548,489	$ 7,149,781
Fringe Benefits	1,449,153	116,175	1,565,328
Travel	79,968	4,148	84,116
Equipment	45,865	-	45,865
Supplies	497,398	21,575	518,973
Contractual	1,722,037	31,400	1,753,437
Other	2,309,083	235,962	2,545,045
Depreciation	243,661	-	243,661
TOTAL FUNCTIONAL EXPENSES	$ 12,948,457	$ 957,749	$ 13,906,206

The accompanying notes are an integral part of these financial statements.

COMMUNITY ACTION, INC. OF CENTRAL TEXAS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED OCTOBER 31, 2019

	2019
CASH FLOWS FROM OPERATING ACTIVITIES	
Increase (Decrease) in Net Assets	$ (48,214)
Adjustments	
Depreciation	243,661
(Increase) Decrease in Assets:	
(Increase) Decrease in Grant Receivables	(459,974)
(Increase) Decrease in Other Receivables	27,101
(Increase) Decrease in Prepaid Expenses	(72,620)
(Increase) Decrease in Inventory	(22,529)
Increase (Decrease) in Liabilities:	
Increase (Decrease) in Accounts Payable	603,062
Increase (Decrease) in Accrued Expenses	103,854
NET CASH PROVIDED (REQUIRED) BY OPERATING ACTIVITIES	374,341
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of Property and Equipment	(156,146)
NET CASH PROVIDED (REQUIRED) BY INVESTING ACTIVITIES	(156,146)
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from Line of Credit	52,000
NET CASH PROVIDED (REQUIRED) BY FINANCING ACTIVITIES	52,000
NET INCREASE (DECREASE) IN CASH	270,195
CASH AND CASH EQUIVALENTS AT BEGINNING YEAR	663,399
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 933,594
SUPPLEMENTAL INFORMATION:	
Interest Paid	$ -
Income Tax Paid	$ -

The accompanying notes are an integral part of these financial statements.

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. ORGANIZATION AND NATURE OF ACTIVITIES

Community Action, Inc. of Central Texas (CAI) is incorporated as a nonprofit corporation and is exempt from federal income taxes under section 501(c)3 of the Internal Revenue code, and is not classified as a private foundation. CAI is governed by a Board of Directors composed of five public officials or their representatives, five representatives of the target area and five members from major private groups in the community.

The primary purpose of CAI is to alleviate the causes of poverty within the community and to promote self-sufficiency. The organization provides a wide variety of social services and economic opportunity programs benefitting low and moderate income persons. Those programs have been grouped into the following general areas:

Community Services Program: Various programs include the comprehensive energy assistance program and local utility assistance program to help low-income households with the highest energy needs and services to senior citizens.

Child and Family Services (to include Head Start): The program provides continuous, intensive, and comprehensive child development and family support services to economically disadvantaged families with children between the ages of birth to five years and to pregnant women.

Community Health Services: The program provides a variety of health services across an eight county area, including reproductive health services, breast cancer awareness and breast cancer case management services, primary health care, prescription assistance, HIV/AIDS awareness, testing, and case management.

Adult Education: This program includes core services for adult education administered across the ten county rural capital area surrounding Austin, Texas. This includes classes in English as a second language, adult basic education and GED preparation.

2. MISSION STATEMENT

Community Action develops opportunities for people and communities to realize their potential by providing resources and comprehensive services to empower Central Texans of all ages to become self-sufficient.

3. BASIS OF PRESENTATION

The accompanying financial statements of CAI have been prepared on the accrual basis of accounting in accordance with U. S. generally accepted accounting principles. Net assets, support and revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed stipulations. CAI reports net assets which meet donor-imposed stipulations during the period received as net assets without donor restrictions. Net assets restricted solely through actions of the Board of Directors are report as net assets without donor restrictions.

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

3. BASIS OF PRESENTATION (CONT.)

Net Assets With Donor Restrictions – Net assets subject to donor-imposed stipulations that will be met by actions of CAI and/or the passage of time. When a restriction expires, net assets with donor restriction are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of all monies in checking, savings, and money market accounts held by financial institutions.

5. INVESTMENTS

Generally accepted accounting principles require that investments be reported at fair value. In measuring fair value, GAAP establishes a hierarchy which requires that an organization maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

Level 1 – Quoted prices for identical assets or liabilities in active markets to which the organization has access at the measurement date.

Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

As of October 31, 2019, CAI currently had no investments that fall under this guidance.

6. ACCOUNTS RECEIVABLE/ REFUNDABLE ADVANCES

Accounts receivable as of October 31, 2019, includes revenues earned through reimbursement contracts, grants, and program fees. Accounts receivable balances are reported at outstanding principal balances, net of an allowance for doubtful accounts if deemed necessary. Management considers the accounts receivable balances to be fully collectible and based on management's estimate the Organization has not estimated an allowance as of October 31, 2019.

Refundable Advances are any excess of actual receipts over the allowable disbursements for conditional awards and is accounted for as a refundable advance until allowable expenditures have been made. There were no refundable advances as of October 31, 2019.

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

7. PREPAID EXPENSES

Expenses recorded in advance of the service or product being received are deferred and carried on the statement of financial position as prepaid expenses. As of October 31, 2019 CAI had $76,633 in prepaid insurance and various computer and software support services. The remaining amount represents prepaid advances and deposits.

8. INVENTORY

Inventories of medical supplies maintained at clinic sites and at the central administration office are stated at the lower of cost or market. Cost is determined on the first-in first-out method.

9. CAPITALIZATION POLICY

CAI established a policy for the recording of all property and equipment. CAI records all property and equipment purchases with a cost greater than $500 and a useful life greater than one year at cost or estimated fair value at the date of donation. Property and equipment purchased with grant restricted assets are treated as permanently restricted assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized, however, expenditures for betterments that materially extend the useful life of an asset are also capitalized. Assets capitalized under the capitalization policy are maintained and depreciated over their useful lives using the straight-line method of depreciation.

10. COMPENSATED ABSENCES

CAI permits eligible employees to accumulate earned but unused vacation pay benefits based upon the employee's number of years of employment. Upon resignation, an employee may receive pay for 80 hours of accrued vacation. Unused sick leave may not be accumulated, and therefore no liability is reported for sick leave. Liabilities for compensated absences are accrued, or recognized to the extent liabilities have matured (i.e. are due for payment).

11. REVENUE RECOGNITION

Grants and contributions received are recorded as without donor restrictions or with donor restrictions depending on the existence and/or nature of any donor restriction.

All donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions received and expended in the same fiscal year are recorded as contributions without donor restrictions.

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

12. CONTRIBUTED SERVICES, MATERIAL, AND FACILITIES

CAI receives contributed services from a variety of unpaid volunteers assisting with youth, senior programs. No amounts have been recognized in the accompanying statements of activities and changes in net assets because the criteria for recognition of such volunteer effort under generally accepted accounting principles has not been satisfied.

13. INCOME TAXES

CAI is exempt from federal and state income taxes under Internal Revenue Code Section 509(a) and file as a 501(c)(3) of the Internal Revenue Code. CAI is required to file Internal Revenue Service form 990, Return of Organization Exempt from Income Tax annually. CAI is not subject to the State of Texas margin tax.

CAI adopted the provisions of FASB ASC topic 740-10-25, Income Taxes – Overall – Recognition, which requires recognition and disclosure of uncertain tax positions in the financial statements and footnotes. Management believes it has no material uncertain tax positions, and accordingly, it will not recognize any liability for unrecognized tax benefits. CAI did not recognize any interest or penalties as of October 31, 2019.

Tax years 2015-2017 remain open to examination by the taxing jurisdiction to which the Organization is subject, and these periods have not been extended beyond the applicable statute of limitation.

14. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

15. FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing CAI's various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Certain other costs require an allocation on a reasonable basis that is consistently applied. The expenses which are applied include rent, utilities, and maintenance of facilities, which are allocated on the based on the square footage of the program occupying the space.

16. ADVERTISING COSTS

CAI expenses advertising costs at the time the advertising occurs. CAI spent $1,842 in advertising costs for the year ended October 31, 2019.

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

17. SUBSEQUENT EVENTS

Subsequent events have been evaluated by management through July 23, 2020, which is the date the financial statements were available to be issued.

18. CONTINGENCY

CAI participates in a number of federal awards programs. These programs are subject to financial and compliance audits by the various funding sources. Management believes its programs are being administered in accordance with each awards' specific requirements.

19. UPCOMING ACCOUNTING PRONOUNCEMENTS

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, Revenue from Contracts with Customers (Topic 606), to clarify the principles for recognizing revenue from contracts with customers. The guidance requires an entity to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. The guidance also requires expanded disclosures relating to the nature, amount, timing and uncertainty of revenue and cash flow arising from contracts with customers, as well as other disclosures. The effective date of this standard is for fiscal years beginning after December 15, 2018. CAI has not early implemented this standard.

On June 21, 2018, the FASB issued ASU 2018-08, Not-for-Profit Entities (Topic 958) – *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made,* to address questions stemming from FASB ASU 2014-09, Revenue from Contracts regarding its implications on the grants and contracts of not-for-profit organizations. The stated purpose of ASU 2018-08 is to provide guidance in evaluating whether transactions should be accounted for as contributions or exchanges. In addition, the update introduces the concept of barriers in providing additional guidance on identifying conditions that would preclude the recognition of a contribution as revenue. The effective date of this standard is for fiscal years beginning after December 15, 2018. CAI has not early implemented this standard.

NOTE B -- CASH AND CASH EQUIVALENTS

CAI's cash and cash equivalents are held in multiple financial institutions, and cash balances of up to $250,000 are secured by the Federal Deposit Insurance Corporation (FDIC) at each financial institution. Cash and cash equivalents exceeded FDIC limits as of October 31, 2019 by $82,223 at Frost Bank.

NOTE C -- INVESTMENTS

Investments during the year consisted of a contribution for an agreement with Texas Mamma Jamma Ride, a fund raising bike ride. CAI provided funds for the annual bike ride and will receive a percentage of net proceeds from the bike ride. The investment is valued at the contribution amount provided to Texas Mamma Jamma Ride in the amount of $4,000. Funds contributed to Texas Mamma Jamma Ride will be paid back to CAI upon termination of the agreement.

NOTE D -- PROPERTY AND EQUIPMENT

Property and equipment consists of the following at October 31:

	2019
Furniture and Equipment	$ 2,364,254
Buildings and Improvements	1,806,675
Total Property and Equipment	4,170,929
Less: Accumulated Depreciation	(3,201,520)
Property and Equipment - Net	$ 969,409

NOTE E -- DONATIONS IN-KIND

CAI receives a substantial amount of in-kind donations. Contributed services include in-kind contributions received by CAI. Such services are valued based on an amount determined to be appropriate if individuals were employed by CAI to perform such services. The value for these services and in-kind donations is estimated as follows:

Description	Amount
Salaries and Related Expenses	$ 328,133
Supplies	15,875
Contractual	540,884
Rent and Building Lease	583,694
Utilities	24,237
Total	$ 1,492,823

NOTE F -- LINE OF CREDIT

On January 10, 2018, CAI took out a line of credit (LOC) from Frost Bank in the amount of $100,000 at variable interest rate. The LOC was renewed on December 26, 2019 in the amount of $100,001 at variable interest rate and will mature on January 3, 2021. There interest on the LOC is indexed to the Lender's Prime Rate plus 1.25% as of October 31, 2019. As of October 31, 2019, the Organization owed $52,000 on the LOC.

NOTE G -- OPERATING LEASE

In 2019, CAI entered into an operating lease with The Village of San Marcos for the rental of the Headquarters at The Village in which $10,646 is paid per month until December 31, 2023.

In 2019, CAI entered into an operating lease with The Old Mill Associates, LLP for the rental of the Headquarters at Old Main in which $1,315 is paid per month until January 31, 2021.

In 2019, CAI entered into an operating lease The Housing Authority of San Marcos for the rental of the Child Development Center in which $500 is paid per month until November 31, 2022.

NOTE G -- OPERATING LEASE (CONT.)

In 2019, CAI entered into an operating lease with BizDoc for the rental of the copiers in which $726 and $64 are paid per month until May 15, 2023 and May 15, 2021, respectively.

Total minimum operating lease commitments for the operating lease is as follows:

Year	Headquarter The Village	Headquarter Old Main	CDC & FSC Rent	Copiers	Total Rent
2020	$ 127,755	$ 15,780	$ 6,000	$ 9,480	$ 159,015
2021	127,755	3,945	6,000	9,160	146,860
2022	127,755	-	6,000	8,712	142,467
2023	127,755	-	500	5,082	133,337
2024	21,293	-	-	-	21,293
	$ 532,313	$ 19,725	$ 18,500	$ 32,434	$ 602,972

NOTE H -- DEFINED CONTRIBUTION PENSION PLAN

CAI sponsors a defined contribution 401(k) plan, available to all regular full time and part time employees. Participating employees may elect to contribute as much as 100% of their compensation up to $16,500. CAI will match the employee's contribution up to a maximum of 3%-5% based upon the years of service the employee has been with the agency. Retirement costs were $115,962 for the year ended October 31, 2019.

NOTE I -- ACCOUNTS RECEIVABLE AND REVENUE CONCENTRATIONS

CAI relies upon government grants and other assistance for funding a majority of its programs. The reliance upon grantors creates a concentration of accounts receivable and revenues.

1. ACCOUNTS RECEIVABLE CONCENTRATIONS

Accounts Receivable concentrations as of October 31, 2019 are as follows:

	2019
Headstart	41.97%
Texas Home Visiting Program	12.85%
Adult Education - Federal	19.69%

2. REVENUE CONCENTRATIONS

Revenue concentrations for the year ended October 31, 2019 are as follows:

	2019
Headstart	56.72%
Adult Education - Federal	11.08%

NOTE J -- NET ASSETS WITH DONOR RESTRICTIONS

During 2019, CAI's net assets with donor restrictions were released from restrictions for the following purposes:

Community Services	$ 1,113,090
Child and Family Services	7,418,046
Community Health	1,376,375
Adult Education	2,208,869
	$ 12,116,380

Net assets with donor restrictions are available as of October 31, 2019 for the following purposes:

	2019
Community Services	$ 84,742
Community Health	36,733
Adult Education	330
	$ 121,805

NOTE K -- COMMITMENTS AND CONTINGENCIES

CAI participates in various federal, state and local grant programs. CAI is obligated to operate in accordance with to those grant requirements and is subject to audit by those granting agencies. In cases of noncompliance, the granting agencies involved require that CAI refund payment of program funds. The amount, if any, of expenses which may be disallowed cannot be determined at this time, although CAI expect that such amounts, if any, would be immaterial.

NOTE L -- LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

CAI maintains funds on hand to meet upcoming operating needs in a given year. CAI had a deficit balance of $37,329 of financial assets available to meet cash needs in the next year for general expenditures as of October 31, 2019 as shown in the table below.

NOTE L -- LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES (CONT.)

Cash and Cash Equivalents	$ 933,594
Investments	4,000
Grants Receivable	1,295,806
Other Receivable	198
Accounts Payable	(1,206,456)
Accrued Expenses	(878,454)
Short-term Debt - Line of Credit	(52,000)
Total Financial Assets	$ 96,688
Lesss Net Assets With Donor Restrictions	(121,805)
Total Available Cash for General Expenditure Needs	$ (25,117)

CAI can decrease the deficit shown above by reducing expenditures in the upcoming year. Additionally, CAI has $48,001 remaining on their line of credit to cover any necessary expenditures.

NOTE M -- LITIGATION

The management of CAI is unaware of any pending or threatened litigation.

NOTE N -- SUBSEQUENT EVENT

The Organization's ongoing profitability may experience instability and estimates included in the financial statements may change due to current political and economic conditions as a result of public health concerns related to the novel coronavirus, or COVID-19. The duration and intensity of these impacts and resulting disruption to which these events affect the Organization's business will depend on future developments, which are highly uncertain and cannot be predicted at this time.

SUPPLEMENTARY INFORMATION SECTION

COMMUNITY ACTION, INC. OF CENTRAL TEXAS
COMBINING STATEMENT OF FINANCIAL POSITION
OCTOBER 31, 2019

	Community Services	Child and Family Services	Community Health Services
ASSETS			
Current Assets:			
Cash and Cash Equivalents	$ 235,515	$ 190,629	$ 249,650
Investments	-	-	4,000
Grants Receivable	122,809	752,021	147,802
Other Receivable	175	437	(716)
Due From Other Funds	-	-	1,338
Prepaid Expenses	875	36,289	2,006
Inventory	-	-	-
Total Current Assets	359,374	979,376	404,080
Property and Equipment, Net	-	-	-
TOTAL ASSETS	$ 359,374	$ 979,376	$ 404,080
LIABILITIES AND NET ASSETS			
Current Liabilities:			
Accounts Payable	$ 8,152	$ 602,756	$ 145,587
Accrued Expenses	134,095	89,945	108,360
Due to Other Funds	28,089	271,715	40,083
Short-Term Debt - Line of Credit	-	-	-
Total Current Liabilities	170,336	964,416	294,030
Net Assets:			
Without Donor Restrictions	104,296	14,960	73,317
With Donor Restrictions	84,742	-	36,733
Total Net Assets	189,038	14,960	110,050
TOTAL LIABILITIES AND NET ASSETS	$ 359,374	$ 979,376	$ 404,080

Adult Education	Payroll Clearing	Grant to GAAP Adjustments	Agency Total
$ 39,889	$ 217,911	$ -	$ 933,594
-	-	-	4,000
273,174	-	-	1,295,806
423	(121)	-	198
70,012	381,856	-	453,206
-	41,871	-	81,041
-	-	25,976	25,976
383,498	641,517	25,976	2,793,821
-	-	969,409	969,409
$ 383,498	$ 641,517	$ 995,385	$ 3,763,230
$ 174,800	$ 275,161	$ -	$ 1,206,456
28,664	294,159	223,231	878,454
94,880	18,439	-	453,206
-	52,000	-	52,000
298,344	639,759	223,231	2,590,116
84,824	1,758	772,154	1,051,309
330	-	-	121,805
85,154	1,758	772,154	1,173,114
$ 383,498	$ 641,517	$ 995,385	$ 3,763,230

COMMUNITY ACTION, INC. OF CENTRAL TEXAS
COMBINING STATEMENT OF ACTIVITIES
OCTOBER 31, 2019

	Community Services	Child and Family Services	Community Health Services
REVENUES, SUPPORT, AND OTHER			
Federal and State Grant Revenues	$ 1,066,863	$ 7,406,890	$ 1,358,435
Program Income	2,250	10,594	56,410
Non-Federal (Local) Revenues	162,450	2,832	88,530
In-Kind Revenues	-	1,492,823	-
TOTAL REVENUES, SUPPORT, AND OTHER	1,231,563	8,913,139	1,503,375
EXPENSES			
Salaries and Wages	303,487	4,640,554	742,405
Fringe Benefits	64,701	1,099,733	161,219
Travel	5,384	27,471	14,256
Equipment	12,427	92,608	24,870
Supplies	16,465	505,363	54,584
Contractual	8,148	1,041,730	277,296
Other	738,917	1,505,454	229,118
Depreciation	-	-	-
TOTAL EXPENSES	1,149,529	8,912,913	1,503,748
CHANGES IN NET ASSETS	82,034	226	(373)
NET ASSETS - BEGINNING OF YEAR	107,004	14,734	110,423
NET ASSETS - END OF YEAR (DEFICIT)	$ 189,038	$ 14,960	$ 110,050

Adult Education	Payroll Clearing	Grant to GAAP Adjustments	Agency Total
$ 2,184,213	$ -	$ -	$ 12,016,401
-	-	-	69,254
25,702	-	-	279,514
-	-	-	1,492,823
2,209,915	-	-	13,857,992
1,415,025	-	48,310	7,149,781
235,673	-	4,002	1,565,328
37,005	-	-	84,116
-	-	(84,040)	45,865
37,195	-	(94,634)	518,973
426,263	-	-	1,753,437
71,556	-	-	2,545,045
-	-	243,661	243,661
2,222,717	-	117,299	13,906,206
(12,802)	-	(117,299)	(48,214)
97,956	1,758	889,453	1,221,328
$ 85,154	$ 1,758	$ 772,154	$ 1,173,114

COMMUNITY ACTION, INC. OF CENTRAL TEXAS
COMBINING STATEMENT OF ACTIVITIES – COMMUNITY SERVICES
OCTOBER 31, 2019

	65 Season/Caring Wright	66 Season/Caring Parten	67 Season/Caring Kimble	83 CEAP 01/01/2018-12/31/2018
REVENUES, SUPPORT AND OTHER				
Federal and State Grant Revenues	$ -	$ -	$ -	$ 419,800
Program Income	-	-	-	-
Non-Federal (Local) Revenues	-	-	95,381	-
TOTAL REVENUES, SUPPORT AND OTHER	-	-	95,381	419,800
EXPENSES				
Salaries and Wages	-	-	-	54,745
Fringe Benefits	-	-	-	12,325
Travel	-	-	173	1,784
Equipment	-	-	-	1,613
Supplies	-	-	197	1,695
Contractual	-	-	-	827
Other	-	1,015	28,216	346,811
TOTAL EXPENSES	-	1,015	28,586	419,800
CHANGES IN NET ASSETS	-	(1,015)	66,795	-
NET ASSETS - BEGINNING OF YEAR	28,697	44,973	-	-
NET ASSETS - END OF YEAR	$ 28,697	$ 43,958	$ 66,795	$ -

84 CEAP 01/01/2019- 12/31/2019	98 Sr. Citizens CAPCO III 10/1/17-9/30/18	99 Sr. Citizens CAPCO III 10/1/17-9/30/18	110 Senior Citizens Donations
$ 296,114	$ 31,890	$ 3,617	$ -
-	-	-	2,250
-	32,285	2,993	-
296,114	64,175	6,610	2,250
27,812	38,023	3,438	-
5,186	8,956	868	-
1,057	-	-	-
-	-	-	-
1,111	4,388	305	-
512	-	-	-
260,436	12,808	1,999	-
296,114	64,175	6,610	-
-	-	-	2,250
-	-	-	19,690
$ -	$ -	$ -	$ 21,940

COMMUNITY ACTION, INC. OF CENTRAL TEXAS
COMBINING STATEMENT OF ACTIVITIES – COMMUNITY SERVICES (CONTINUED)
OCTOBER 31, 2019

	123 Community Serv. Block Grant 1/1/17-12/31/18	124 Community Serv. Block Grant 1/1/19-12/31/20	136 Community Serv. Block Grant Telephone System	140 Share the Warmth
REVENUES, SUPPORT AND OTHER				
Federal and State Grant Revenues	$ 99,775	$ 201,381	$ 14,286	$ -
Program Income	-	-	-	-
Non-Federal (Local) Revenues	-	-	-	-
TOTAL REVENUES, SUPPORT AND OTHER	99,775	201,381	14,286	-
EXPENSES				
Salaries and Wages	53,750	121,122	-	-
Fringe Benefits	12,781	23,581	-	-
Travel	938	1,391	-	-
Equipment	-	-	10,814	-
Supplies	1,486	6,409	-	-
Contractual	1,625	1,567	3,396	-
Other	29,195	47,311	-	-
TOTAL EXPENSES	99,775	201,381	14,210	-
CHANGES IN NET ASSETS	-	-	76	-
NET ASSETS - BEGINNING OF YEAR	-	-	-	256
NET ASSETS - END OF YEAR	$ -	$ -	$ 76	$ 256

160 Donations Non-Federal	165 Fundraising	168 2015 Flood Relief
$ -	$ -	$ -
-	-	-
16,772	-	-
16,772	-	-
4,359	-	-
946	-	-
39	-	-
-	-	-
262	-	-
207	-	-
3,027	-	-
8,840	-	-
7,932	-	-
516	7,064	3,229
$ 8,448	$ 7,064	$ 3,229

COMMUNITY ACTION, INC. OF CENTRAL TEXAS
COMBINING STATEMENT OF ACTIVITIES – COMMUNITY SERVICES (CONTINUED)
OCTOBER 31, 2019

	169 BCFS	190 Non-Federal	194 Non-Federal	201 Non-Federal
REVENUES, SUPPORT AND OTHER				
Federal and State Grant Revenues	$ -	$ -	$ -	$ -
Program Income	-	-	-	-
Non-Federal (Local) Revenues	-	10,877	142	4,000
TOTAL REVENUES, SUPPORT AND OTHER	-	10,877	142	4,000
EXPENSES				
Salaries and Wages	-	238	-	-
Fringe Benefits	-	58	-	-
Travel	-	2	-	-
Equipment	-	-	-	-
Supplies	-	11	-	601
Contractual	-	14	-	-
Other	-	5,529	37	2,533
TOTAL EXPENSES	-	5,852	37	3,134
CHANGES IN NET ASSETS	-	5,025	105	866
NET ASSETS - BEGINNING OF YEAR	582	1,663	1,200	(866)
NET ASSETS - END OF YEAR	$ 582	$ 6,688	$ 1,305	$ -

Total Community Services
$ 1,066,863
2,250
162,450
1,231,563
303,487
64,701
5,384
12,427
16,465
8,148
738,917
1,149,529
82,034
107,004
$ 189,038

COMMUNITY ACTION, INC. OF CENTRAL TEXAS
COMBINING STATEMENT OF ACTIVITIES – CHILD AND FAMILY SERVICES
OCTOBER 31, 2019

	260 Head Start TSR	273 Head Start 10/01/18-9/30/2019	296 CACFP 10/1/2018-9/30/2019	290 CACFP 10/1/2019-9/30/2020
REVENUES, SUPPORT AND OTHER				
Federal and State Grant Revenues	$ 10,364	$ 6,346,048	$ 229,505	$ 33,735
Program Income	-	10,594	-	-
Non-Federal (Local) Revenues	-	-	-	-
In-Kind Revenues	-	1,492,823	-	-
TOTAL REVENUES, SUPPORT AND OTHER	10,364	7,849,465	229,505	33,735
EXPENSES				
Salaries and Wages	7,844	3,975,169	130,662	13,527
Fringe Benefits	725	923,458	37,413	3,314
Travel	-	12,053	-	-
Equipment	-	92,608	-	-
Supplies	1,372	474,085	-	-
Contractual	23	1,036,220	-	-
Other	943	1,335,872	61,430	16,894
TOTAL EXPENSES	10,907	7,849,465	229,505	33,735
CHANGES IN NET ASSETS	(543)	-	-	-
NET ASSETS - BEGINNING OF YEAR	-	-	-	-
NET ASSETS - END OF YEAR	$ (543)	$ -	$ -	$ -

281 TX Home Visiting Program 9/1/18-8/31/19	282 TX Home Visiting Program 9/1/19-8/31/20	331 HS Donations	332 HS Donations	333 Policy Council	337 ECCOHC	Total Child and Family Services
$ 627,593	$ 159,645	$ -	$ -	$ -	$ -	$ 7,406,890
-	-	-	-	-	-	10,594
-	-	705	1,211	-	916	2,832
-	-	-	-	-	-	1,492,823
627,593	159,645	705	1,211	-	916	8,913,139
423,691	89,661	-	-	-	-	4,640,554
111,614	23,209	-	-	-	-	1,099,733
8,001	7,417	-	-	-	-	27,471
-	-	-	-	-	-	92,608
20,077	9,258	571	-	-	-	505,363
4,364	1,123	-	-	-	-	1,041,730
60,407	28,977	-	212	-	719	1,505,454
628,154	159,645	571	212	-	719	8,912,913
(561)	-	134	999	-	197	226
561	-	1,564	2,027	7,890	2,692	14,734
$ -	$ -	$ 1,698	$ 3,026	$ 7,890	$ 2,889	$ 14,960

COMMUNITY ACTION, INC. OF CENTRAL TEXAS
COMBINING STATEMENT OF ACTIVITIES – COMMUNITY HEALTH SERVICES
OCTOBER 31, 2019

	500 Family Planning Title X	501 Family Planning Title X	515 Heatlhy TX Women's Program	516 Heatlhy TX Women's Program
REVENUES, SUPPORT AND OTHER				
Federal and State Grant Revenues	$ 127,236	$ 65,783	$ 136,791	$ 20,662
Program Income	6,345	30,092	-	-
Non-Federal (Local) Revenues	-	-	-	-
TOTAL REVENUES, SUPPORT AND OTHER	133,581	95,875	136,791	20,662
EXPENSES				
Salaries and Wages	56,254	62,022	91,692	14,147
Fringe Benefits	10,135	13,152	22,382	2,717
Travel	25	113	202	138
Equipment	-	-	-	-
Supplies	2,678	3,682	4,331	393
Contractual	3,095	6,059	1,636	575
Other	40,016	10,847	16,548	2,692
TOTAL EXPENSES	112,203	95,875	136,791	20,662
CHANGES IN NET ASSETS	21,378	-	-	-
Transfer In	-	21,378	-	-
Transfer Out	(21,378)	-	-	-
NET ASSETS - BEGINNING OF YEAR	-	-	-	-
NET ASSETS - END OF YEAR	$ -	$ 21,378	$ -	$ -

521 CHS Donor	531 Family Planning Expanded	545 HHSC Family Planning	546 HHSC Family Planning	550 Clinic Unit Allocation
$ -	$ -	$ 64,843	$ 24,438	$ -
-	7,445	4,753	1,462	-
5,390	-	-	-	-
5,390	7,445	69,596	25,900	-
-	2,662	46,180	17,553	-
-	461	8,200	3,461	1,018
46	2	29	44	-
-	-	-	-	-
-	318	3,638	228	-
-	15	5,668	2,410	-
79	651	5,881	2,204	-
125	4,109	69,596	25,900	1,018
5,265	3,336	-	-	(1,018)
-	-	-	-	-
-	-	-	-	-
3,686	8,426	-	-	-
$ 8,951	$ 11,762	$ -	$ -	$ (1,018)

COMMUNITY ACTION, INC. OF CENTRAL TEXAS
COMBINING STATEMENT OF ACTIVITIES – COMMUNITY HEALTH SERVICES (CONTINUED)
OCTOBER 31, 2019

	552 St. David's	553 St. David's	602 State Services Supplemental	603 State Services Supplemental
REVENUES, SUPPORT AND OTHER				
Federal and State Grant Revenues	$ -	$ -	$ 61,009	$ 18,029
Program Income	-	-	-	-
Non-Federal (Local) Revenues	-	-	-	-
TOTAL REVENUES, SUPPORT AND OTHER	-	-	61,009	18,029
EXPENSES				
Salaries and Wages	-	-	33,351	9,357
Fringe Benefits	-	-	9,259	1,970
Travel	-	-	231	7
Equipment	-	-	-	-
Supplies	-	27,472	200	43
Contractual	-	-	13,128	6,235
Other	-	-	4,840	417
TOTAL EXPENSES	-	27,472	61,009	18,029
CHANGES IN NET ASSETS	-	(27,472)	-	-
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
NET ASSETS - BEGINNING OF YEAR	9,079	-	-	-
NET ASSETS - END OF YEAR	$ 9,079	$ (27,472)	$ -	$ -

618 Ryan White Part A 3/1/18-2/28/19	619 Ryan White Part A 3/1/19-2/28/20	620 State Services	621 State Services	639 Ryan White Part B 9/1/18-8/31/19
$ 24,840	$ 29,920	$ 204,922	$ 35,155	$ 41,768
-	-	-	-	-
-	-	-	-	-
24,840	29,920	204,922	35,155	41,768
18,488	23,453	131,462	19,656	18,531
4,497	5,679	27,842	4,698	2,905
8	12	8,224	1,265	14
-	-	-	-	8,149
77	77	5,194	500	109
98	65	6,388	76	8,641
1,672	634	25,812	8,960	3,419
24,840	29,920	204,922	35,155	41,768
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
$ -	$ -	$ -	$ -	$ -

COMMUNITY ACTION, INC. OF CENTRAL TEXAS
COMBINING STATEMENT OF ACTIVITIES – COMMUNITY HEALTH SERVICES (CONTINUED)
OCTOBER 31, 2019

	630 Ryan White Part B 9/1/19-8/31/20	648 Ryan White Part C 1/1/18-12/31/18	649 Ryan White Part C 1/1/19-12/31/19	651 RASP Donor
REVENUES, SUPPORT AND OTHER				
Federal and State Grant Revenues	$ 32,172	$ 31,018	$ 80,656	$ -
Program Income	-	-	-	-
Non-Federal (Local) Revenues	-	-	-	57,825
TOTAL REVENUES, SUPPORT AND OTHER	32,172	31,018	80,656	57,825
EXPENSES				
Salaries and Wages	20,185	14,816	51,264	3,900
Fringe Benefits	2,453	3,598	11,364	842
Travel	2,580	-	201	218
Equipment	-	-	-	16,721
Supplies	729	-	-	696
Contractual	2,431	-	-	29,579
Other	3,794	12,604	17,827	13,069
TOTAL EXPENSES	32,172	31,018	80,656	65,025
CHANGES IN NET ASSETS	-	-	-	(7,200)
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
NET ASSETS - BEGINNING OF YEAR	-	-	-	71,226
NET ASSETS - END OF YEAR	$ -	$ -	$ -	$ 64,026

665 HOPWA 2/1/18-1/31/2019	666 HOPWA 2/1/19-1/31/2020	671 Ryan White Supplemental	714 McKenna Legacy 11/1/15-10/31/2016	716 McKenna Legacy 11/1/17-10/31/2018	733 Breast Cancer
$ 6,238	$ 38,645	$ 10,199	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	17,472	7,843
6,238	38,645	10,199	-	17,472	7,843
221	3,297	594	-	7,608	108
55	537	102	-	1,528	19
1	13	4	-	104	21
-	-	-	-	-	-
9	95	24	-	66	5
14	77	9,349	-	7,772	1,853
5,938	34,626	126	-	394	31
6,238	38,645	10,199	-	17,472	2,037
-	-	-	-	-	5,806
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	467	-	9,445
$ -	$ -	$ -	$ 467	$ -	$ 15,251

COMMUNITY ACTION, INC. OF CENTRAL TEXAS
COMBINING STATEMENT OF ACTIVITIES – COMMUNITY HEALTH SERVICES (CONTINUED)
OCTOBER 31, 2019

	758 BCCCS Cancer Screening 9/1/18-8/31/19	759 BCCCS Cancer Screening 9/1/19-8/31/20	803 Primary Health Care 9/1/17-8/31/18	804 Primary Health Care 9/1/18-8/31/19
REVENUES, SUPPORT AND OTHER				
Federal and State Grant Revenues	$ 178,899	$ 13,359	$ 88,186	$ 23,667
Program Income	-	-	5,676	637
Non-Federal (Local) Revenues	-	-	-	-
TOTAL REVENUES, SUPPORT AND OTHER	178,899	13,359	93,862	24,304
EXPENSES				
Salaries and Wages	46,662	3,484	34,707	10,751
Fringe Benefits	12,598	696	6,951	2,100
Travel	322	40	355	37
Equipment	-	-	-	-
Supplies	1,623	156	1,679	562
Contractual	109,589	8,118	45,305	8,652
Other	8,105	865	4,865	2,202
TOTAL EXPENSES	178,899	13,359	93,862	24,304
CHANGES IN NET ASSETS	-	-	-	-
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
NET ASSETS - BEGINNING OF YEAR	-	-	-	-
NET ASSETS - END OF YEAR	$ -	$ -	$ -	$ -

836 Prescription Assistance 10/1/16-9/30/17	100 Cummings Health	Total Community Health Services
$ -	$ -	$ 1,358,435
-	-	56,410
-	-	88,530
-	-	1,503,375
-	-	742,405
-	-	161,219
-	-	14,256
-	-	24,870
-	-	54,584
468	-	277,296
-	-	229,118
468	-	1,503,748
(468)	-	(373)
-	-	21,378
-	-	(21,378)
6,756	1,338	110,423
$ 6,288	$ 1,338	$ 110,050

COMMUNITY ACTION, INC. OF CENTRAL TEXAS
COMBINING STATEMENT OF ACTIVITIES – ADULT EDUCATION
OCTOBER 31, 2019

	913 Adult Education Federal 7/1/18-6/30/19	914 Adult Education Federal 7/1/19-6/30/20	924 Adult Education State 7/1/18-6/30/19
REVENUES, SUPPORT, AND OTHER			
Federal and State Grant Revenues	$ 933,022	$ 602,618	$ 164,968
Program Income	-	-	-
Non-Federal (Local) Revenues	-	-	-
TOTAL REVENUES, SUPPORT, AND OTHER	933,022	602,618	164,968
EXPENSES			
Salaries and Wages	631,440	385,399	133,491
Fringe Benefits	115,596	64,705	16,623
Travel	11,920	12,365	43
Equipment	-	-	-
Supplies	10,779	14,162	3,119
Contractual	144,190	126,097	890
Other	19,097	24,546	10,802
TOTAL EXPENSES	933,022	627,274	164,968
CHANGES IN NET ASSETS	-	(24,656)	-
NET ASSETS - BEGINNING OF YEAR	-	-	-
NET ASSETS - END OF YEAR	$ -	$ (24,656)	$ -

925 Adult Education Combined	938 TANF 9/1/18-8/31/19
$ 48,841	$ 42,303
-	-
-	-
48,841	42,303
33,586	18,949
4,599	2,175
28	12
-	-
349	210
9,246	20,163
1,033	794
48,841	42,303
-	-
-	-
$ -	$ -

COMMUNITY ACTION, INC. OF CENTRAL TEXAS
COMBINING STATEMENT OF ACTIVITIES – ADULT EDUCATION (CONTINUED)
OCTOBER 31, 2019

	944 Professional Development	957 English Literacy and Civics 7/1/18-6/30/19	958 English Literacy and Civics 7/1/19-6/30/20
REVENUES, SUPPORT, AND OTHER			
Federal and State Grant Revenues	$ 26,118	$ 189,744	$ 69,756
Program Income	-	-	-
Non-Federal (Local) Revenues	-	-	-
TOTAL REVENUES, SUPPORT, AND OTHER	26,118	189,744	69,756
EXPENSES			
Salaries and Wages	7,464	143,922	54,244
Fringe Benefits	1,613	20,212	9,065
Travel	12,220	133	16
Equipment	-	-	-
Supplies	-	3,074	5,240
Contractual	-	20,087	342
Other	4,821	2,316	849
TOTAL EXPENSES	26,118	189,744	69,756
CHANGES IN NET ASSETS	-	-	-
NET ASSETS - BEGINNING OF YEAR	-	-	-
NET ASSETS - END OF YEAR	$ -	$ -	$ -

962 Accelerate Texas	981 Adult Education Non - Federal	Total Adult Education
$ 106,843	$ -	$ 2,184,213
-	-	-
-	25,702	25,702
106,843	25,702	2,209,915
3,310	3,220	1,415,025
681	404	235,673
23	245	37,005
-	-	-
194	68	37,195
101,719	3,529	426,263
916	6,382	71,556
106,843	13,848	2,222,717
-	11,854	(12,802)
-	97,956	97,956
$ -	$ 109,810	$ 85,154

FEDERAL AND STATE AWARD SECTION

Armstrong, Vaughan & Associates, P. C.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
Community Action, Inc. of Central Texas

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Community Action, Inc. of Central Texas, which comprise the statement of financial position as of October 31, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated July 23, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Community Action, Inc. of Central Texas' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Action, Inc. of Central Texas' internal control. Accordingly, we do not express an opinion on the effectiveness of Community Action, Inc. of Central Texas' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Action, Inc. of Central Texas' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Armstrong, Vaughan & Associates, P.C.

Armstrong, Vaughan & Associates, P.C.

July 23, 2020

Armstrong, Vaughan & Associates, P. C.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND EACH MAJOR STATE PROGRAM; AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH UNIFORM GUIDANCE

To the Board of Directors
Community Action, Inc. of Central Texas

Report on Compliance for Each Major Federal Program and Each Major State Program

We have audited Community Action, Inc. of Central Texas' compliance with the types of compliance requirements described in *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of Community Action, Inc. of Central Texas' major federal programs for the year ended October 31, 2019. Additionally, we have audited the compliance requirements described in the State of Texas Single Audit circular that could have a direct and material effect on each of CAI's major state programs for the year ended October 31, 2019. Community Action, Inc. of Central Texas' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Community Action, Inc. of Central Texas' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) *and the State of Texas Single Audit circular.* Those standards, Uniform Guidance and the State of Texas Single Audit circular, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Community Action, Inc. of Central Texas' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of Community Action, Inc. of Central Texas' compliance.

Opinion on Each Major Federal Program and Each Major State Program

In our opinion, Community Action, Inc. of Central Texas complied in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and major state programs for the year ended October 31, 2019.

Report on Internal Control over Compliance

Management is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our compliance audit, we considered Community Action, Inc. of Central Texas' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program, each major state program and to test and report on internal control over compliance in accordance with Uniform Guidance and the State of Texas Single Audit circular, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Community Action, Inc. of Central Texas' internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a *material weakness in internal control over compliance*, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance and the State of Texas Single Audit circular. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

Armstrong, Vaughan & Associates, P.C.

Armstrong, Vaughan & Associates, P.C.

July 23, 2020

COMMUNITY ACTION, INC. OF CENTRAL TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED OCTOBER 31, 2019

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Federal Expenditures
U.S. Department of Agriculture			
Passed through Texas Department of Agriculture:			
Child & Adult Care Food Prog (290)	10.558	CE# 02113	$ 33,735
Child & Adult Care Food Prog (296)	10.558	CE# 02113	229,505
U.S. Department of Education			
Passed through Texas Workforce Commission:			
Adult Education (914)	84.002	1518ALA000	566,889
Adult Education (913)	84.002	1518ALA000	933,022
AE Accelerate Texas (962)	84.002A	1519AEL000	106,843
Adult Education (911)	84.002	1516AEL002	(2,264)
Adult Education - English Literacy and Civics (957)	84.002	1518ALA000	189,744
Adult Education - English Literacy and Civics (958)	84.002	1518ALA000	69,756
Adult Basic Education - Professional Development (944)	84.002	1518ALA000	26,118
U.S. Department of Health and Human Services			
Head Start (273)	93.600	06CH010664-02-03	6,346,048
Passed through University of Texas Health Science Center at Houston:			
Head Start (260)	93.600	None	10,364
Passed through Capital Area Council of Governments:			
Spec. Prog. For the Aging, Title III, Part B (099)	93.044	None	3,617
Spec. Prog. For the Aging, Title III, Part B (098)	93.044	None	31,890
Passed through Women's Health and Family Planning Association of Texas:			
Family Planning Services, Title X (500)	93.217	None	112,203
Family Planning Services, Title X (501)	93.217	None	65,783
Passed through Texas Workforce Commission:			
Temporary Assist for Needy Families (914)	93.558	1518ALA000	24,123
Temporary Assist for Needy Families (938)	93.558	1518ALA000	42,303
Temporary Assist for Needy Families (925)	93.558	1518ALA000	48,841
Passed through Texas Department of Housing & Community Affairs:			
Low-Income Home Energy Assistance (084)	93.568	58190002980	296,114
Low-Income Home Energy Assistance (083)	93.568	58180002780	419,908
Community Service Block Grant (123)	93.569	61180002848	99,775
Community Service Block Grant (124)	93.569	61190003040	201,381
Community Service Block Grant (136)	93.569	61180002906	14,286
U.S. Department of Health and Human Services:			
Passed through the Texas Health and Human Services Commission			
Texas Home Visiting Program (282)	93.870	529-15-0053-00002	159,645
Texas Home Visiting Program (281)	93.870	529-15-0053-00002	628,154
Passed through Brazos Valley COG:			
Ryan White Part B (630)	93.917	5608/3-552-02	32,172
Ryan White Part B (639)	93.917	5608/2-552-03	41,768
Ryan White - Supplemental (671)	93.917	5608/3-552-S3-01	10,199
Passed through City of Austin:			
Ryan White Part A (619)	93.914	NG170000038	29,920
Ryan White Part A (618)	93.914	NG170000038	24,840
Ryan White Part C (649)	93.918	NG170000028	80,656
Ryan White Part C (648)	93.918	NG170000028	31,018
U.S. Department of Housing and Urban Development			
Passed through Brazos Valley COG:			
Housing Opportunities for Persons with AIDS (666)	14.241	5607/3-552-03	38,645
Housing Opportunities for Persons with AIDS (665)	14.241	5607/2-552-02	6,238
Total Federal Awards			$ 10,953,239

COMMUNITY ACTION, INC. OF CENTRAL TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (CONT.)
YEAR ENDED OCTOBER 31, 2019

Grantor Program	CFDA Number	Pass-Through Number	State Expenditures
State of Texas:			
Texas Health and Human Services Commission:			
Breast & Cervical Cancer (759)	N/A	529-17-0023-00011	$ 13,359
Breast & Cervical Cancer (758)	N/A	529-17-0023-00011B	178,899
Primary Health Care (804)	N/A	2016-048530-002	23,667
Primary Health Care (803)	N/A	2016-048530-002	88,186
Healthy Texas Women (515)	N/A	529-16-0132-00022-B	136,791
Healthy Texas Women (516)	N/A	529-16-0132-00022	20,662
Family Planning (546)	N/A	529-16-0102-00044-A	24,438
Family Planning (545)	N/A	529-16-0102-00044-A	64,843
Passed through Brazos Valley COG:			
HIV Health and Social Services (621)	N/A	5609/3-552-01	35,155
HIV Health and Social Services (620)	N/A	5609/2-552-03	204,922
HIV Health and Social Services - Supplemental (602)	N/A	5609/2-552-03-R	61,009
HIV Health and Social Services - Supplemental (603)	N/A	5608/3-552-01	18,029
Texas Workforce Commission:			
Adult Education (914)	N/A	1518ALA000	11,606
Adult Education (924)	N/A	1518ALA000	164,968
Total State Awards			$ 1,046,534
Total Federal and State Awards			$ 11,999,773

NOTE A – BASIS OF PRESENTATION

The Schedule of Expenditures of Federal and State Awards includes the federal and state grant activity of Community Action, Inc. of Central Texas and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and the State of Texas Single Audit Circular. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Community Action, Inc. of Central Texas has not elected to use the 10% de minimus indirect cost rate.

COMMUNITY ACTION, INC. OF CENTRAL TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL AWARDS
FOR THE YEAR ENDED OCTOBER 31, 2019

A. Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued:	Unmodified	
Internal Control over Financial Reporting:		
One or more material weaknesses identified	____ Yes	__X__ No
One or more significant deficiencies identified that are not considered to be material weaknesses?	____ Yes	__X__ None Reported
Noncompliance material to the financial statements noted?	____ Yes	__X__ No

2. Federal Awards

Internal Control over Major Programs:		
One or more material weaknesses identified	____ Yes	__X__ No
One or more significant deficiencies identified that are not considered to be material weaknesses?	____ Yes	__X__ None Reported
Type of auditor's report issued on compliance for Major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with CFR Part 200 of the Uniform Guidance?	____ Yes	__X__ No

Identification of major programs:

CDFA Number(s)	Name of Federal Program or Cluster
93.568	Comprehensive Energy Assistance Program
84.002	Adult Education

Dollar threshold used to distinguish between type A and type B federal program:	$750,000	
Auditee qualified as a low-risk auditee?	__X__ Yes	____ No

B. Financial Statement Findings

NONE

C. Federal Awards Findings and Questioned Costs

NONE

COMMUNITY ACTION, INC. OF CENTRAL TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – STATE AWARDS
FOR THE YEAR ENDED OCTOBER 31, 2019

A. State Awards

Internal Control over Major Programs:

One or more material weaknesses identified	____ Yes	__X__ No
One or more significant deficiencies identified that are not considered to be material weaknesses?	____ Yes	__X__ None Reported
Type of auditor's report issued on compliance for Major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of State of Texas Single Audit Circular?	____ Yes	__X__ No

Identification of major programs:

Name of Federal Program or Cluster
HIV Health and Social Services

Dollar threshold used to distinguish between type A and type B state program: $300,000

Auditee qualified as a low-risk auditee? __X__ Yes ____ No

B. Financial Statement Findings

NONE

C. State Awards Findings and Questioned Costs

NONE

COMMUNITY ACTION, INC. OF CENTRAL TEXAS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED OCTOBER 31, 2019

FINDINGS - 2018 - NONE

Listing of Key Staff

Carole Belver, Executive Director
Will be responsible for the overall project and assuring reports are submitted correctly and on time.

Elizabeth Wills, BR3T
Will partner with Community Action to ensure applications are submitted correctly and on time, assist with marketing and reporting.

Margery Marshall, Community Services Director
Will be responsible for the day-to-day management of the program.

Bertie Hayes, Eligibility Worker
Will work directly under Ms. Marshall and will process the applications.

Liz Mascari, Eligibility Worker
Will work directly under Ms. Marshall and will process the applications.

Keith Herington, Fiscal Officer
Will be responsible for processing the rental or mortgage checks.

III. NON-DISCRIMINATION

A. EQUAL EMPLOYMENT OPPORTUNITY (EEO)/AFFIRMATIVE ACTION POLICY STATEMENT

In compliance with Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, the Rehabilitation Act of 1973, and the Vietnam Era Veterans Readjustment Act of 1974, Community Action, Inc. of Central Texas hereby affirms its commitment to equal employment opportunity for all qualified individuals, without regard to race, color, creed, national origin, religion, political affiliation, physical or mental disability, sex, age, or veteran status. In support of Executive Order 11246, we pledge to take affirmative action steps designed to insure non-discrimination and equal employment opportunity for all individuals, regardless of race, color, creed, national origin, sex, or religion. With regard to Sections 503 and 504 of the Rehabilitation Act of 1973 and Title IV of the Viet Nam Veterans Readjustment Assistance Act of 1974, we also make the same affirmative action pledge and support to all disabled individuals, disabled Veterans, and Veterans of the Viet Nam Era.

Community Action, Inc. of Central Texas conducts all aspects of employment, including recruiting, hiring, promotions, firings, demotions, lay-offs, call-backs, lateral reassignments, and transfers without regard to race, color, creed, national original, religion, political affiliation, physical or mental disability, sex, sexual orientation, gender identity, age, or veteran status. All decisions are based on requirements and criteria which are job related. We further affirm that all decisions related to other aspects of employment, such as fringe benefits, training and development opportunities, and compensation policies are administered equally and fairly to all individuals without regard to race, color, creed, national origin, religion, political affiliation, physical or mental disability, sex, sexual orientation, gender identity, age, or veteran status.

Equal opportunity can only be achieved through demonstrated leadership and commitment to that expressed goal. It is incumbent that no employee, regardless of position or level within the Agency hierarchical structure, discriminate illegally in any policy, practice, or procedure. Each and every employee is expected to make every reasonable effort to demonstrate and carry out the affirmative action mission in spirit, as well as in letter, to assure that equal opportunity is available to all. It is Community Action, Inc.'s further commitment to maintain an environment free of any form of harassment, coercion, intimidation, interference or discrimination to any applicant or employee for filing a complaint or assisting in an EEO investigation.

B. Americans With Disabilities Act (ADA)

The Agency will make requested reasonable accommodations for physical or mental disabilities of otherwise qualified individuals with disabilities unless undue hardship would result. If you are a qualified individual with a disability within the meaning of the Americans with Disabilities Act, you may request any reasonable accommodation that you feel is needed to allow you to perform the essential functions of your position. Any such request should be directed to your supervisor or to Human Resources.

Blanco River Regional Recovery Team

Board Resolution: City of San Marcos CDBG-CV Relief Fund Management

BLANCO RIVER
Regional Recovery Team
Recover • Rebuild • Restore

01/04/2021

P.O. Box 685
San Marcos, TX 78667

To whom it may Concern,

This document is a resolution from the Board of Directors of the Blanco River Regional Recovery Team stating that Elizabeth Wills, Executive Director for the Blanco River Regional Recovery Team, has the necessary authority to submit an application and sign documents related to the City of San Marcos CDBG-CV relief funding on behalf of the BR3T organization.

If there are any questions regarding this matter please feel free to contact me.

Sincerely,

Earl Bolls, Chairman
Board of Directors

314 EAST HUTCHISON ST SAN MARCOS, TX 78666
P: (512)680-7583 U WWW.BR3T.ORG
E: EARLBOLLS@GMAIL.COM

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697

Carlos H. Cascos
Secretary of State

Office of the Secretary of State

September 03, 2015

JAMES GABRIEL
801 W. MLK
San Marcos, TX 78666 USA

RE: Blanco River Regional Recovery Team
File Number: 802286191

It has been our pleasure to file the certificate of formation and issue the enclosed certificate of filing evidencing the existence of the newly created nonprofit corporation.

Nonprofit corporations do not automatically qualify for an exemption from federal and state taxes. Shortly, the Comptroller of Public Accounts will be contacting the corporation at its registered office for information that will assist the Comptroller in setting up the franchise tax account for the corporation. Information about franchise tax, and contact information for the Comptroller's office, is available on their web site at http://window.state.tx.us/taxinfo/franchise/index.html. For information on state tax exemption, including applications and publications, visit the Comptroller's Exempt Organizations web site at http://window.state.tx.us/taxinfo/exempt/index.html. Information on exemption from federal taxes is available from the Internal Revenue Service web site at www.irs.gov.

Nonprofit corporations do not file annual reports with the Secretary of State, but do file a report not more often than once every four years as requested by the Secretary. It is important for the corporation to continuously maintain a registered agent and office in Texas as this is the address to which the Secretary of State will send a request to file a periodic report. Failure to maintain a registered agent or office in Texas, failure to file a change to the agent or office information, or failure to file a report when requested may result in the involuntary termination of the corporation. Additionally, a nonprofit corporation will file documents with the Secretary of State if the corporation needs to amend one of the provisions in its certificate of formation. If we can be of further service at any time, please let us know.

Sincerely,

Corporations Section
Business & Public Filings Division
(512) 463-5555
Enclosure

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697

Carlos H. Cascos
Secretary of State

Office of the Secretary of State

CERTIFICATE OF FILING
OF

Blanco River Regional Recovery Team
File Number: 802286191

The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Nonprofit Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 09/02/2015

Effective: 09/02/2015

Carlos H. Cascos
Secretary of State

Form 202 (Revised 05/11) Submit in duplicate to: Secretary of State P.O. Box 13697 Austin, TX 78711-3697 512 463-5555 FAX: 512/463-5709 **Filing Fee: $25**	**Certificate of Formation** **Nonprofit Corporation**	This space reserved for office use. FILED In the Office of the Secretary of State of Texas SEP 02 2015 Corporations Section

Article 1 – Entity Name and Type

The filing entity being formed is a nonprofit corporation. The name of the entity is:

Blanco River Regional Recovery Team

Article 2 – Registered Agent and Registered Office

(See instructions. Select and complete either A or B and complete C.)

☐ A. The initial registered agent is an organization (cannot be entity named above) by the name of:

OR

☑ B. The initial registered agent is an individual resident of the state whose name is set forth below:

Daniel	J	Kramer	
First Name	*M.I.*	*Last Name*	*Suffix*

C. The business address of the registered agent and the registered office address is:

801 W. Martin Luther King	San Marcos	TX	78666
Street Address	*City*	*State*	*Zip Code*

Article 3 – Management

The management of the affairs of the corporation is vested in the board of directors. The number of directors constituting the initial board of directors and the names and addresses of the persons who are to serve as directors until the first annual meeting of members or until their successors are elected and qualified are as follows:

A minimum of three directors is required.

Director 1					
Daniel	J	Kramer			
First Name	*M.I.*	*Last Name*			*Suffix*
204 Travertine Trail	Buda		TX	78610	US
Street or Mailing Address	*City*		*State*	*Zip Code*	*Country*

Director 2					
Michael	D	Jones			
First Name	*M.I.*	*Last Name*			*Suffix*
915 Thousand Oaks	San Marcos		TX	78666	US
Street or Mailing Address	*City*		*State*	*Zip Code*	*Country*

Director 3					
Virginia	P	Condie			
First Name	*M.I.*	*Last Name*			*Suffix*
1061 Martindale Falls Road	Martindale		TX	78655	US
Street or Mailing Address	*City*		*State*	*Zip Code*	*Country*

OR

☐ The management of the affairs of the corporation is to be vested in the nonprofit corporation's members.

Article 4 – Membership

(See instructions. Do not select statement B if the corporation is to be managed by its members.)

☑ A. The nonprofit corporation shall have members.

☐ B. The nonprofit corporation will have no members.

Article 5 – Purpose

(See instructions. This form does not contain language needed to obtain a tax-exempt status on the state or federal level.)

The nonprofit corporation is organized for the following purpose or purposes:

To establish and maintain an entity to identify and assist people impacted by the events related to the Memorial Day Weekend 2015 river flooding, including FEMA event DR 4223. Nothing in this purpose restricts the ability of this group to function in other declared disasters under 418 of the Texas Government Code not (cont.)

The following text area may be used to include any additional language or provisions that may be needed to obtain tax-exempt status.

(cont.) specifically listed in this document. The BR3 Team will identify, develop, administer and maintain a program that provides assistance for survivors' with unmet needs and handles key long term recovery functions. This BR3 Team is organized for charitable, religous, scientific, literary or educational purposes within the meaning of 501(c)3 of the Internal Revenue Code and Section 11.18 of the Texas Code.

Supplemental Provisions/Information

(See instructions.)

Text Area: [The attached addendum, if any, is incorporated herein by reference.]

Organizer

The name and address of the organizer:

Daniel J Kramer
Name

204 Travertine Trail	Buda	TX	78610
Street or Mailing Address	*City*	*State*	*Zip Code*

Effectiveness of Filing (Select either A, B, or C.)

A. ☑ This document becomes effective when the document is filed by the secretary of state.

B. ☐ This document becomes effective at a later date, which is not more than ninety (90) days from the date of signing. The delayed effective date is: _____

C. ☐ This document takes effect upon the occurrence of a future event or fact, other than the passage of time. The 90th day after the date of signing is: _____

The following event or fact will cause the document to take effect in the manner described below:

Execution

The undersigned affirms that the person designated as registered agent has consented to the appointment. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized to execute the filing instrument.

Date: 08/31/2015

Signature of organizer

Daniel J Kramer
Printed or typed name of organizer

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: NOV 20 2015

BLANCO RIVER REGIONAL RECOVERY TEAM
PO BOX 685
SAN MARCOS, TX 78667

Employer Identification Number:
47-4930663
DLN:
17053279338005
Contact Person:
BRYAN C WOESTE ID# 31660
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Public Charity Status:
170(b)(1)(A)(vi)
Form 990/990-EZ/990-N Required:
Yes
Effective Date of Exemption:
September 2, 2015
Contribution Deductibility:
Yes
Addendum Applies:
No

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Board of Directors BR3T 2020-2021

1. Board President: Earl Bolls
    a. 512-677-9701
2. Vice-President: Jay Daniel
3. Treasurer: Mike Jones
    a. Work: 512.393.7300
4. Secretary: Virginia Condie
5. Member: David Rowley
6. Member: Wendell Smith
7. Member: Holly Orr

BYLAWS OF

BLANCO RIVER REGIONAL RECOVERY TEAM

Mission Statement: To strengthen area-wide disaster mitigation in Blanco, Caldwell, Hays and Guadalupe counties by sharing information, supporting preparation and education, simplifying resident access, and assisting affected residents with unmet needs.

ARTICLE 1. Purpose of the BR3 Team

The **Blanco River Regional Recovery Team** (the "BR3 Team") adopts these Bylaws for the purpose of establishing and maintaining an entity to identify and assist people impacted by events related to the Memorial Day Weekend 2015 river flooding, including FEMA event DR 4223. Nothing in this purpose restricts the ability of this group to function in other declared disasters under 418 of the Texas Government Code not specifically listed in this document. The BR3 Team will identify, develop, administer and maintain a program that provides assistance for survivors' with unmet needs and handles key long term recovery functions. This BR3 Team is organized for charitable, religious, scientific, literary or educational purposes within the meaning of 501 (c)(3) of the Internal Revenue Code and Section 11.18 of the Texas Tax Code.

ARTICLE 2. Members of the BR3 Team Board of Directors

Members of the Board of Directors shall be up to 12 representatives identified by Blanco, Caldwell, Guadalupe, and Hays Counties. Each of these Counties may identify three (3) or more such representatives with each respective county's EMC responsible for officially making board appointments. The BR3 Team hereby authorizes the representatives identified by the respective Counties as Board Members.

More than 12 representatives appointed to the board is considered excess. Each County is guaranteed three (3) representatives on the Board. If vacancies exist on the Board, counties may appoint more than 3 members to the Board. In the event of excess membership by any one county, the County EMC with the excess membership will determine the current members from their respective county to remain on the board.

ARTICLE 3. Eligible Voters

Only members of the Board of Directors shall be eligible to vote on matters coming before the BR3 Team Board meetings, whether stated or special. Voting by proxy and cumulative voting are not allowed.

ARTICLE 4. Meetings of the Board

1. For the first 12 months of the organization, meetings of the Board of Directors will be monthly, and then quarterly thereafter unless more frequent meetings are necessary.

2. The Annual Meeting of the Board shall be in February of each year, for the purpose of electing executive officers and addressing any other business properly coming before the Board. Public notice of this meeting, the time and place shall be given by written notice to all Board Members at least two weeks (14 days) prior to the meeting.

3. Special meetings shall be called by the Executive Committee, or upon the request of fifty percent of the Board Members, providing the call shall clearly state the purpose for the meeting and prior written notice being given one week (7 days) in advance to all Board Members. Only business specified in the call for the special meeting shall be conducted.

4. Any action required by law to be taken at a meeting of the Board, or any action that may be taken at a meeting of the Board, may be taken without a meeting if consent in writing setting forth the action shall be signed by all Board members. Such consent shall be placed in the minute book/files of the Organization and shall have the same force and effect as a unanimous vote of the Board taken at an actual meeting. The Board members written consent may be executed in single or multiple documents, all of which will be then considered as an original document.

ARTICLE 5. Quorum

A quorum for transaction of business shall consist of fifty (50) percent of the total Team Members.

ARTICLE 6. Board Members of the BR3 Team

1. Powers. The Board of Directors of the BR3 Team is vested with the management of the business and affairs of BR3 Team, subject to the Texas Business Organizations Code, the Certificate of Formation, and these Bylaws.

2. Qualifications. Board Membership shall not be denied to any person on the basis of race, creed, sex, religion, or national origin. Employees of BR3 Team are ineligible to serve on the Board of Directors.

3. Term of Office. Each Board Member shall hold office for two years. Half the Board will take office in Even years and the other half will take office in Odd years so as no more than half of the Board seats will become vacant in any one year. These years will be marked from the year these bylaws are adopted. Board Members may be re-appointed. All board members shall hold office until their respective successors are appointed, except in the case of resignation, death, disability or removal.

4. Vacancy. Any vacancy or unfilled position on the Board of Directors shall be filled for the unexpired term by appointment of the respective county's EMC.

5. Resignation and Forfeiture. Any board member may resign at any time by giving written notice to the President. Any board member may be removed from the Board of Directors for any reason whatsoever by an affirmative vote of two-thirds (2/3) of the total number of Board of Directors.

6. Compensation. Board Members shall not receive any salary or compensation for their services.

7. Contracts. The Board of Directors may authorize any officer and/or authorized agent of BR3 Team to enter into contracts or execute and deliver instruments in the name of and on behalf of BR3 Team and such authority may be general or confined to specific instances.

8. The Organization shall not make any loan of money or property to, or guarantee the obligation of, any director or officer, unless approved by the Texas Attorney General, provided, however, that the Organization may advance money to a director or officer of the Organization or any subsidiary for expenses reasonably anticipated to be incurred in the performance of the duties of such officer or director so long as such individual would be entitled to be reimbursed for such expenses absent that advance.

9. Staff. The Board of Directors will hire, evaluate, and terminate the Executive Director.

10. Reporting. The Board of Directors shall be responsible for complying with all reporting requirements of the nonprofit.

11. Confidentiality. Each Board Member will abide by the confidentiality policy during and after service on the Board of Directors.

ARTICLE 7. Board Officers

The Executive Committee shall be accountable to the Board of Directions and shall consist of the President, Vice-President, Secretary and Treasurer of the Team.

1. There shall be elected from the Members of the Board:

a. A President who shall preside at all meetings, as well as be the chief executive officer of the Team, and perform other functions as deemed necessary by the Board of Directors.

b. A Vice-President who shall preside in the absence of the President, or at other times deemed necessary by the president, and perform other functions as deemed necessary by the Board of Directors.

c. A Secretary who shall record and preserve all minutes of meetings, and perform other functions as deemed necessary by the Board of Directors. If

unable to attend a meeting, the presiding officer shall appoint a secretary pro tem for that meeting.

d. A Treasurer who shall receive, deposit and account all financial matters of the Team, providing regular financial reports to the Members, and perform other functions as deemed necessary by the Board of Directors

2. Executive Committee Officers shall be elected for a one-year term of office, and are eligible for as many successive terms as the Board deems appropriate.

3. Engaging and executing contracts and agreements. Except as otherwise required by law or these Bylaws, the Executive Committee shall have all the authority of the BR3 Team in the management of **Blanco River Regional Recovery Team** efforts during such time as the Board is not meeting but must report all decisions and efforts to the full BR3 Team at the next scheduled or called meeting. If the Executive Committee deems a particular item or matter to be an emergency or of immediate need, the Executive Committee may call for an internet vote of Board Members, but any such internet vote must be recorded by the Secretary and must be discussed and ratified at the next scheduled or called meeting.

ARTICLE 8. Staff

1. Executive Director. It shall be the responsibility of the Executive Director to manage the day to day operations. The Executive Director will report directly to the Board, and the Board of Directors will have oversight over the Executive Director's activities relating to the organization.

2. Additional Staff. The Board of Directors shall approve the addition of any additional staff position(s). Any additional staff shall be supervised by the Executive Director.

3. Staff Policy. All staff will abide by the policies as determined by the Board.

ARTICLE 9. Team Committees

1. The Board of Directors may create temporary or permanent committees made up of BR3 Team Members or other persons as agreed upon by the Board. Each committee shall have such authority as authorized by the BR3 Team Board of Directors. Committees must be established that cover the functions of volunteer management, case management, public information, donations management, construction, emotional and spiritual care, and unmet needs. Each committee will have a chair that coordinates with the Executive Director.

2. The Board of Directors will define the BR3 Team Membership process and expectations for individuals and agencies who participate in the committees and taskforces.

ARTICLE 10. Vacancies and Nominating Process

The Board of Directors shall determine the appropriate process for securing nominations from among the Board for vacancies of any of the offices, announcing the nomination process, and conducting an election.

ARTICLE 11. Financial Audit

The Executive Committee shall obtain an outside independent audit and review of the financial affairs of the Team semi-annually in the even anniversary years of the adoption of these bylaws. The report shall be placed in the minutes of the Executive Committee and reported to all the Team Members.

ARTICLE 12. Conflict of Interest

An actual or apparent conflict of interest exists when any member of the Board or staff has a financial, personal, or official interest in, or conflict (or appearance of a conflict) with any matter pending before the Executive Committee or the Board. BR3 Team staff and Board Members must disclose any potential conflict of interest to all members of the Board in writing. A decision on the appropriate remedial actions must be made, such as the Board Member recusing himself or herself from discussions or decisions regarding the matter.

ARTICLE 13. Indemnification

The BR3 Team shall indemnify any director, officer, or former director or officer, against any and all losses, costs, and expenses (including attorney's fees) actually and necessarily incurred by such person in connection with the defense of any action, suit, or proceeding, whether civil or criminal, which such person is made a party by reason of being or having been such director or officer, except in relation to matters as to which such person shall be finally adjudged in such action, suit, or proceeding to be liable for intentional or grossly negligent misconduct in performance of duty. The BR3 Team shall also reimburse any such person the reasonable cost of settlement of any such action, suit, or proceeding, if it shall be found by a majority of the directors not involved in the matter in controversy, whether or not a quorum, that it was in the best interests of the corporation that such settlement be made, and that such director or officer or former director of officer was not guilty of intentional or grossly negligent misconduct in the performance of duty. Such indemnification shall not be deemed exclusive of any other rights to which such person may be entitled, under any by-law, agreement, insurance policy, or otherwise.

ARTICLE 14. Non-liability of Members

The members of the Board shall not be liable for any debts, liabilities, or obligations of the BR3 Team.

ARTICLE 15. Amendments

These Bylaws may be amended, at any annual meeting or special meetings of the Board by a two-thirds vote of the voters present, providing that a full written account of the proposed changes have been sent to all Board Members two weeks (14 days) prior to the meeting.

ARTICLE 16. Dissolution of the Team

This BR3 Team may be dissolved at any time by two thirds vote of the Board Members. Upon the dissolution of this BR3 Team, all assets and liabilities shall be distributed to an appropriate non-profit entity that provides services similar to those provided by the BR3 Team, or distributed otherwise as required by law.

ADOPTED this the _____ day of _____, 2017.